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GOVERNMENT OF INDIA  
MINISTRY OF LAW  
(Reforms)

## NOTIFICATION

*New Delhi, the 31st March, 1948.*

**No. G. G. O. 38.**—The following Order made by the Governor-General is published for general information:—

### THE INDIA PROVISIONAL CONSTITUTION (THIRD AMENDMENT) ORDER, 1948.

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the India (Provisional Constitution) Order, and other orders providing for adaptations and modifications of the Government of India Act, 1935;

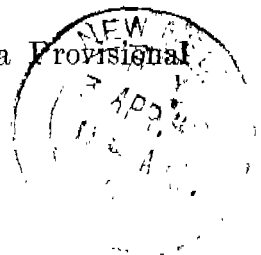
AND WHEREAS it appears to the Governor-General to be expedient to make certain further modifications of the said Government of India Act, 1935;

AND WHEREAS sub-section (5) of section 19 of the India Independence Act, 1947, provides that any power conferred by that Act to make any order includes power to vary any order previously made in the exercise of that power;

NOW, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the India Provisional Constitution (Third Amendment) Order, 1948.

(2) It shall come into force at once.



2. In this Order, "the Act" means the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Order, 1947, and subsequent orders.

3. In section 28 of the Act, for the words "members of the Indian Legislature", the words "members of the House of Commons of the Parliament of the United Kingdom" shall be substituted.

4. In section 29 of the Act, for the words beginning with the words "allowances at such rates" and ending with the words "Indian Legislatures" the following shall be substituted, namely:—

"the rules relating to allowances and other matters which immediately before the establishment of the Dominion were applicable to members of the Legislative Assembly of the Indian Legislature shall apply to members of the Dominion Legislature subject to such modifications as may from time to time be made therein by the Governor-General".

5. To section 91 of the Act, the following proviso shall be added, namely:—

"Provided that the Governor-General may at any time by Order—

(a) direct that the whole or any specified part of an excluded area shall become, or become part of, a partially excluded area;

(b) direct that the whole or any specified part of a partially excluded area shall cease to be a partially excluded area or a part of such an area;

(c) alter, but only by way of rectification of boundaries, any excluded or partially excluded area;

(d) on any alteration of the boundaries of a Province; or the creation of a new Province, declare any territory not previously included in any Province to be, or to form part of, an excluded area or a partially excluded area, and any such Order may contain such incidental and consequential provisions as appear to the Governor-General to be necessary and proper."

MOUNTBATTEN OF BURMA,  
Governor-General.

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K. V. K. SUNDARAM,  
Officer on Special Duty.

**MINISTRY OF LAW**

**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948*

**No. G. G. O. 39.**—The following Order made by the Governor-General is published for general information:—

**THE INDIA PROVINCIAL LEGISLATURES (AMENDMENT) ORDER, 1948**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the India (Provincial Legislatures) Order, 1947 [which Order as subsequently amended by the India Provisional Constitution and Provincial Legislatures (Amendment) Order, 1947, and the India Provincial Legislatures (Amendment) Order, 1947, is hereinafter referred to as "the principal Order"];

AND WHEREAS it appears to the Governor-General to be expedient to make certain further modifications in the principal Order;

AND WHEREAS sub-section (5) of section 19 of the said Act provides that any power conferred by that Act to make any order includes power to revoke or vary any order previously made in the exercise of that power;

AND WHEREAS sub-section (3) of section 9 of the said Act provides that any order made under that section may be made so as to be retrospective to any date not earlier than the third day of June, 1947;

NOW, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. This Order may be cited as the India Provincial Legislatures (Amendment) Order, 1948.

2. In Article 4 of the principal Order,—

(a) for the proviso to paragraph (1), the following proviso shall be substituted, namely:—

“Provided that none of the sitting members of the Bengal Legislative Assembly representing the Bengal Chamber of Commerce constituency, nor the sitting member of that Assembly representing the general rural constituency of Nadia and filling the seat reserved for members of the scheduled castes

shall be deemed to have been elected by that constituency to the Legislative Assembly of West Bengal."

(b) In the second column of the Table below paragraph (2), for the word "Navadwip" the word "Nadia" shall be substituted; and

(c) In paragraph (3), sub-paragraphs (a) and (c) shall be omitted.

3. In the list of adaptations pertaining to the Government of India (Provincial Legislative Assemblies) Order, 1936, as set out in the Schedule to the principal Order,—

(a) to the adaptations pertaining to paragraph 27 of Part IV of the Order in Council, the following further adaptation shall be added, namely:—

"In sub-paragraph (3), for 'either of the said seats' substitute 'the said seat'."

(b) in Tables I and II of the Fourth Schedule specifying the General and Muhammadan constituencies of West Bengal, for the word "Navadwip" wherever it occurs, the word "Nadia" shall be substituted; and

(c) in the entry relating to the extent of the 24-Parganas North-East constituency in Table II of the said Fourth Schedule, for the words "Deganga and Habra police stations", the words "Deganga, Habra, Gaighata and Bangaon police stations" shall be substituted.

4. To the list of adaptations pertaining to the Government of India (Provincial Elections) (Corrupt Practices and Election Petitions) Order, 1936, as set out in the Schedule to the principal Order, the following further adaptations shall be added, namely:—

"In Part IV, in paragraph 2 for "British India" substitute "a Governor's or Chief Commissioner's Province", and in paragraphs 6 and 8 for the words "Federal" and "Federation", wherever they occur substitute "Dominion"."

5. The amendments made by the preceding provisions of this Order shall be deemed to have been made on the fifteenth day of August, 1947, and shall have effect accordingly.

MOUNTBATTEN OF BURMA,  
*Governor-General.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*

**MINISTRY OF LAW**

**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948*

**No. G. G. O. 40.**—The following Order made by the Governor-General is published for general information:—

**THE INDIAN INDEPENDENCE (ADAPTATION OF  
BENGAL AND PUNJAB ACTS) ORDER, 1948.**

WHEREAS sub-section (3) of section 18 of the Indian Independence Act, 1947, provides that save as otherwise expressly provided in the said Act, the law of British India and of the several parts thereof existing immediately before the appointed day shall, so far as applicable and with the necessary adaptations, continue as the law of each of the new Dominions and the several parts thereof, until other provision is made by laws of the Legislature of the Dominion in question or by any other Legislature or other authority having power in that behalf;

AND WHEREAS sub-section (1) of section 9 of the said Act provides that the Governor-General shall by Order make such provision as appears to him to be necessary or expedient for bringing the provisions of the said Act into effective operation and for removing difficulties arising in connection with the transition to the provisions of the said Act;

NOW, THEREFORE, in the exercise of the powers conferred by the said Act, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the Indian Independence (Adaptation of Bengal and Punjab Acts) Order, 1948.

(2) It shall come into force at once.

2. In this Order the expressions "Bengal Act" and "Punjab Act" have the meanings assigned to them, respectively, by clauses (5) and (41a) of section 3 of the General Clauses Act, 1897.

3. (1) The Bengal Acts and Punjab Acts specified in the Schedule to this Order shall until repealed or altered or amended by a competent Legislature or other competent authority have effect subject to the adaptations directed by that Schedule and by paragraph (2) or paragraph (3), as the case may be, of this Article.

(2) Wherever the expression "Bengal" occurs in a Bengal Act (otherwise than in a title or preamble or in a citation or description of an enactment or in the expressions "Lieutenant-Governor of Bengal", "Bengal Presidency", "Western Bengal", "Eastern Bengal", "Fort William in Bengal", "Bengal-Nagpur Railway", "Bengal Chamber of Commerce", "Bengal National Chamber of Commerce", "Domiciled Community of Bengal" and "European Association of Bengal") whether in an Act specified in the Schedule to this Order or not, then, unless that expression is by that Schedule expressly directed to be otherwise modified or to be omitted, there shall be substituted for the expression "Bengal" the expression "West Bengal".

(3) Wherever the expression "the Punjab Legislative Assembly" or the expression "the Punjab" otherwise than in the expression "the Punjab Legislative Assembly" occurs in a Punjab Act (otherwise than in the short title thereof or in any citation or description of an Act) whether in an Act specified in the Schedule to this Order or not, then there shall be substituted for the expression first-named the expression "the East Punjab Legislative Assembly" and for the expression second-named the expression "East Punjab."

(4) References in the Schedule to this Order to any Bengal Act or Punjab Act shall be construed as references to that Act as subsequently amended and as in force in the Dominion of India or any part thereof immediately before the coming into force of this Order.

4. The provisions of this Order shall have effect notwithstanding anything to the contrary contained in the India (Adaptation of Existing Indian Laws) Order, 1947.

## THE SCHEDULE BENGAL ACTS

### *The Bengal Districts Act, 1864 (IV of 1864)*

Omit "of Bengal", and for "subject to the control of the said Provincial Government" substitute "to which this Act extends."

### *The Canals Act, 1864 (V of 1864)*

Throughout the Act for the words "Provincial Government of Bengal" and the words "Government of Bengal" wherever they occur, substitute "Provincial Government."

*The Bengal (Prevention of Inoculation)*

Act, 1865 (IV of 1865)

Section 3.—Omit “of Bengal” at both places.

*The Bengal Public Gambling Act, 1867 (II of 1867)*

Section 2.—Omit the words “of Bengal” where they first occur.

*The Bengal Ports Act, 1867 (III of 1867)*

Section 2.—For “Provinces under the control of the Provincial Government of Bengal” substitute “territories to which this Act extends.”

*The Bengal Rent (Appeals) Act, 1867 (IV of 1867)*

Section 5.—Omit “of Bengal.”

*The Bengal Land Revenue Sales Act, 1868 (VII of 1868)*

Section 6.—Omit “of Bengal.”

*The Bengal Cruelty to Animals Act, 1869 (I of 1869)*

Section 10.—Omit “of Bengal.”

*The Bengal Police Act, 1869 (VII of 1869)*

Section 2.—Omit “of Bengal”.

Section 6.—For “Provinces under the control of the Provincial Government of Bengal” substitute “territories to which it extends.”

*The Village Chowkidari Act, 1870 (VI of 1870)*

Section 68.—Omit “in the Provinces subject to the Provincial Government of Bengal” and for “said Provincial Government” substitute “Provincial Government concerned.”

*The Puri Lodging-House Act, 1871 (IV of 1871)*

Sections 1 and 38.—Omit “of Bengal” at all places.

*The Howrah Bridge Act, 1871 (IX of 1871)*

Sections 11, 14, 15, 16 and 17.—For the words “Secretary of State for India in Council”, “said Secretary of State for India in Council”, “said Secretary of State in Council” and “said Secretary of State”, wherever they occur, substitute the word “Government.”

*The Bengal Survey Act, 1875 (V of 1875)*

Section 1.—For “territories subject to the Lieutenant-Governor of Bengal” substitute “the Provinces of West Bengal and Bihar and that part of the Province of Orissa which on the sixth day of October 1875 was subject to the Lieutenant-Governor of Bengal.”

*The Bengal Muhammadan Marriages and Divorces*

*Registration Act, 1876 (I of 1876)*

Section 1.—For “the Provinces subject to the Provincial Government of Bengal to which the said Provincial Government” substitute “West Bengal, Bihar or Orissa to which the Provincial Government concerned.”

*The Land Registration Act, 1876 (VII of 1876)*

Section 3.—In clause (7), omit “of Bengal.”

*The Puri Lodging-House (Extension) Act, 1879 (II of 1879)*

Section 3.—For “Provincial Government of Bengal” substitute “Provincial Government of West Bengal, Bihar or Orissa.”

*The Darjeeling Steam Tramway Act, 1879 (VI of 1879)*

Section 2.—After the words “Secretary of State” where they occur for the second time, insert “or the Provincial Government.”

*The Bengal Rent Settlement Act, 1879 (VIII of 1879)*

Section 1.—For “all the territories” substitute “the district of Darjeeling and to that part of the Province of Orissa which on the fourth day of June 1879 was.”

*The Court of Wards Act, 1879 (IX of 1879)*

Section 1.—For the second paragraph substitute:—

“It extends to the Provinces of West Bengal, Bihar and Assam and that part of the Province of Orissa which on the 30th day of July, 1879, was subject to the Lieutenant-Governor of Bengal.”

Section 50.—For “the Imperial Parliament” substitute “Act of Parliament”; omit “or of the Federation”; for “any Act of a Legislature established in British India” substitute “any Central or Provincial Act”; and for “the Government of Bengal” substitute “the Provincial Government”.

*The Bengal Vaccination Act, 1880 (V of 1880)*

Section 1.—In the fourth paragraph, omit “of Bengal”.

*The Cess Act, 1880 (IX of 1880)*

Section 7.—Omit “of Bengal”.

Section 74.—For “territories administered by the Lieutenant-Governor of Bengal” at both places substitute “Province”.

Schedule G.—Omit items 7 to 16 and the item “Rangpur”; and renumber item 17 as item 7.



*The Bengal Embankment Act, 1882 (II of 1882)*

Section 1.—For the second paragraph substitute:—

“It extends to the Provinces of West Bengal and Bihar, and also to that part of the Province of Orissa which on the twenty-first day of June 1882 was subject to the Lieutenant-Governor of Bengal, but only as provided in Part IX.”

*The Bengal Tramways Act, 1883 (III of 1883)*

Section 2.—For “Federal Railway Authority” substitute “Central Government”.

Section 20.—For clause (a) substitute:—

“(a) if the tramway is a railway, by the Central Government;”.

Section 26.—Omit “of the Federal Railway Authority, or, if the Central Government so direct”.

*The Bengal Ferries Act, 1885 (I of 1885)*

Section 2.—For “all the territories” substitute “the Provinces of West Bengal and Bihar and to that part of the Province of Orissa which on the first day of August 1885 was”.

*The Bengal Local Self-Government Act, 1885 (III of 1885)*

Third Schedule.—For the list of districts substitute:—

“All districts of West Bengal other than Jalpaiguri and Darjeeling.”

*The Calcutta Port Act, 1890 (III of 1890)*

Section 5.—For “nineteen” substitute “eighteen”, and omit item (v).

*The Land Records Maintenance Act, 1895 (III of 1895)*

Section 11.—For “British India” at both places substitute “a Province of India”, and for “British consul” substitute “Indian or British consul”.

*The Estates Partition Act, 1897 (V of 1897)*

Section 1.—In sub-section (2), for “territories” substitute “Provinces of West Bengal and Bihar and that part of the Province of Orissa which on the eighth day of December 1897 was”.

*The Bengal General Clauses Act, 1899 (I of 1899)*

Long title and preamble.—After “Bengal Acts” insert “and West Bengal Acts”.

Throughout the Act, except in clause (6) of section 3, after the words “Bengal Act” wherever they occur, insert “or West Bengal Act”.

Section 3.—In the opening clause after “commencement of this Act” insert “and in all West Bengal Acts”; in clause (34), for “British India” substitute “a Province”; and after clause (45), insert—

“(45a) “West Bengal Act” shall mean an Act made by the Provincial Legislature of West Bengal under the Government of India Act, 1935.”

Section 5A.—In sub-section (1) omit “Federal Government” and “Federal Railway Authority”, and after “Bengal Acts” insert “and West Bengal Acts”.

Section 6.—In sub-section (1), for “Governor” where it occurs for the last time substitute “Governor of Bengal”.

Sections 14 and 14A.—After “Bengal Acts” insert “and West Bengal Acts”.

Section 31.—For “the Governor under” at both places substitute “the Governor of Bengal under”; and after “section 89 of the said Act” insert “or by the Governor of West Bengal under section 88 of the said Act”.

*The Bengal Public Parks Act, 1904 (II of 1904)*

Section 1.—In sub-section (2), for “Bengal” substitute “West Bengal, Bihar or that part of Orissa which on the ninth day of March 1904 was included in Bengal”.

*The Bengal Settled Estates Act, 1904 (III of 1904)*

Section 1.—For sub-section (2) substitute:—

“(2) It extends to the Provinces of West Bengal and Bihar and to that part of the Province of Orissa which on the ninth day of March 1904 was included in Bengal”.

*The Bengal Smoke Nuisances Act, 1905 (III of 1905)*

Section 2.—In sub-section (1), for “Bengal” substitute “West Bengal, Bihar or that part of the Province of Orissa which on the third day of May 1905 was included in Bengal”.

*The Bengal Excise Act, 1909 (V of 1909)*

Section 2.—Omit clause (1A); and in clause (12), for “British India” substitute “a Province of India”.

Section 9.—For “British India” at both places, substitute “any Province of India”.

Section 48.—For “British India” substitute “India”.

*The Bengal Public Demands Recovery Act, 1913 (III of 1913)*

Schedule II.—In form No. 9, omit “in the name of the King, Emperor of India”.

*The Bengal Medical Act, 1914 (VI of 1914)*

Section 30.—For “Bengal Act or any Act of the Central Legislature in force in Bengal” at both places, substitute “Central or Provincial Act in force in West Bengal”.

Omit section 34.

*The Bengal (Aliens) Disqualification Act, 1918 (III of 1918)*

Section 3.—For “any State in India” at both places, substitute “an Acceding State”.

*The Bengal Village Self-Government Act, 1919 (V of 1919)*

Section 10.—For “any State in India” at both places, substitute “an Acceding State”.

*The Eastern Frontier Rifles (Bengal Battalion) Act, 1920  
(II of 1920)*

Long title, sub-section (1) of section 1, clause (2) of section 3 and the Schedule.—For “Bengal Battalion” substitute “West Bengal Battalion”.

Section 3.—In clause (3), omit “and the Superintendent of the Chittagong Hill Tracts”.

*The Bengal Amusements Tax Act, 1922 (V of 1922)*

Section 1.—In clause (c) of sub-section (3), omit “Dacca”.

*The Goondas Act, 1923 (I of 1923)*

Section 2.—Omit clause (1).

*The Calcutta Municipal Act, 1923 (III of 1923)*

Section 3.—In clause (3A), after “India” insert “or Pakistan or an Indian State”.

Section 38.—In sub-section (1), for “Crown” substitute “Constitution of India” and for “His Majesty the King Emperor of India, His Heirs and successors” substitute “the Constitution of India as by law established”.

*The Bengal Aerial Ropeways Act, 1923 (VII of 1923)*

Section 1.—In sub-section (2), omit “except the Hill Tracts of Chittagong”.

Section 6.—In clause (vii) of sub-section (4), omit “the Federal Railway Authority or”.

*The Bengal Rural (Primary Education) Act, 1930  
(VII of 1930)*

Section 4.—In clause (b) of sub-section (1), for “ten” substitute “four”, for “five” substitute “two” and omit “one to be a Muhammadan and the other a Hindu”.

*The Bengal Municipal Act, 1932 (XV of 1932)*

Section 23.—In clause (ii) of sub-section (2), for “any State in India” substitute “an Acceding State”.

Section 57.—In sub-section (1), for “Crown” substitute “Constitution of India” and for “His Majesty the King Emperor of India, His Heirs and successors” substitute “the Constitution of India as by law established”.

Schedule V.—Omit “Dacca” and “Chittagong”.

*The Bengal Smuggling of Arms Act, 1934 (VI of 1934)*

Section 2.—Omit clause (2).

*The Bengal Waterways Act, 1934 (XII of 1934)*

Section 40.—In the proviso to sub-section (2), for “Ports of Calcutta and Chittagong” substitute “Port of Calcutta” and for “said ports” substitute “said port”.

*The Bengal Non-Agricultural Lands Assessment Act, 1936 (XIX of 1936)*

Section 2.—In sub-clause (f) of clause (4), for “Jalpaiguri or Chittagong” substitute “or Jalpaiguri”.

*The Bengal Legislative Chambers (Members') Emoluments Act, 1937 (II of 1937)*

Long title, preamble and section 1.—For “Chambers” substitute “Assembly”.

Section 2.—Omit “either of the Bengal Legislative Council or” and “the President of the said Council”.

*The Bengal Legislature (Removal of Disqualifications) Act, 1937 (III of 1937)*

Preamble and section 2.—Omit “or the Bengal Legislative Council”.

*The Bengal Famine Insurance Fund Act, 1938 (III of 1938)*

Section 7.—Omit “the Bengal Legislative Council and”.

*The Bengal Money-lenders Act, 1940 (X of 1940)*

Section 2.—In clause (1), for “British India” substitute “India”; and in clause (12), for “any Government in British India” substitute “by the Central Government or any Provincial Government”.

*The Bengal Revenues (Charged Expenditure) Act, 1940 (XIII of 1940)*

The First Schedule.—Omit the heading “Central Act” and the entries relating to the Dacca University Act, 1920.

*The Bengal Co-operative Societies Act, 1940 (XXI of 1940)*

Section 5.—Omit “made by any authority in British India and”.

*The Bengal Agricultural Income-tax Act, 1944 (IV of 1944)*

Section 2.—In clauses (1) and (6), for “British India” substitute “a Province of India”; and in clause (17), for “British India excepting Bengal” substitute “any Province of India other than West Bengal”.

*The Bengal Legislatures (Corrupt Practices and Election Inquiries) Act, 1946 (I of 1946)*

Preamble.—Omit the words “and in paragraph 12 of Part I of the Government of India (Provincial Legislative Councils) Order, 1936,” the words “or the Bengal Legislative Council”, and the words “or Council”; and for “bodies” substitute “body”.

Section 2.—Omit “or the Bengal Legislative Council”.

Section 3.—Omit “or to the Bengal Legislative Council” and “or Council”.

Section 6.—Omit “or the Bengal Legislative Council”.

## PUNJAB ACTS

*The Punjab General Clauses Act, 1898 (I of 1898)*

Throughout the Act, except in clauses (10) and (46) of section 2, for “Punjab Act” substitute “Punjab Act or East Punjab Act”.

Section 2.—In the opening clause, after “Punjab Acts” insert “and East Punjab Acts”.

For clause (10), substitute:—

“(10) ‘Colony’—

(a) in any Punjab Act passed after the commencement of Part III of the Government of India Act, 1935, or in any East Punjab Act, shall mean any part of His Majesty’s dominions exclusive of the British Islands, the Dominions of India and Pakistan (and before the establishment of those Dominions British India), any Dominion as defined in the Statute of Westminster, 1931, any Province or State forming part of any of the said Dominions and British Burma; and

(b) in any Punjab Act passed before the commencement of Part III of the said Act, mean any part of His Majesty’s dominions exclusive of the British Islands and of British India;

and in either case where parts of those dominions are under both a central and local legislature, all parts under the central legislature shall, for the purposes of this definition, be deemed to be one colony : ”

After clause (16), insert—

“(16a) “East Punjab Act” shall mean an Act made by the Provincial Legislature of East Punjab under the Government of India Act, 1935;”

For clause 41 substitute :—

“(41) “Political Agent” shall mean the principal officer, by whatever name called, representing the Central Government in any Acceding State or group of Acceding States or any territory or place outside India”.

In clause (47), for “British India” substitute “a Province of India”.

Section 11.—After “Punjab Acts” insert “and East Punjab Acts”.

Section 27.—Omit the word “and” at the end of clause (a); in clause (b) after “Governor” at both places insert “of the Punjab”; and after clause (b) insert :—

“(c) in relation to any Ordinance promulgated by the Governor of East Punjab under section 88 of the said Act, as they apply to Acts made by the Provincial Legislature of East Punjab.”

*The Punjab Minor Canals Act, 1905 (III of 1905)*

Schedule I.—Omit the entries from “Hajiwah”<sup>2</sup> to “Southern Sori Hill Torrent”.

Schedule II.—Omit the entries from “Piranwala” to “Ahmadabad”.

*The Punjab Municipal Act, 1911 (III of 1911)*

Section 61.—In sub-section (1)(a), for “Dalhousie and Murree” at both places substitute “and Dalhousie”.

Section 103.—In sub-section (1), for “Dalhousie and Murree” substitute “and Dalhousie”.

*The Colonisation of Government Lands (Punjab) Act, 1912 (V of 1912)*

Section 4.—In the proviso omit “to tenancies specified in Schedule I of this Act, or”.

Section 27.—In sub-section (1), omit clause (a).  
Omit Schedule I.

*The Punjab Excise Act, 1914 (I of 1914)*

Section 3.—In clause (12), for “British India” substitute “the Provinces of India”.

Section 31.—In the proviso, for “British India” substitute “the Provinces of India”.

Section 63.—For “British India” substitute “India”.

*The Punjab Medical Registration Act, 1916 (II of 1916)*

Section 5.—In sub-section (1), for “sixteen” substitute “eleven”; in clause (b), for “eight” substitute “four” and omit the words from “an independent medical practitioner” to “and one shall be”; omit clause (c); in clause (d), for “the University of the Punjab” substitute “any University in India”; and in clause (e), for “one member” substitute “two members”.

Section 6.—In the proviso, omit “(c)”.

Section 12.—For “seven” substitute “six”.

The Schedule.—In paragraph (1), after “Allahabad” insert “the Punjab”.

*The Punjab Courts Act, 1918 (VI of 1918)*

Section 51.—After the word “Lahore” insert “until the fifteenth day of August, 1947, and thereafter, as referring to the High Court of East Punjab”.

*The Punjab Town Improvement Act, 1922 (IV of 1922)*

Section 60.—For sub-section (2), substitute:—

“(2) The president of the tribunal shall be a person qualified for appointment as a judge of the High Court of East Punjab”.

*The Sikh Gurdwaras Act, 1925 (VIII of 1925)*

Section 43.—In clause (i), for “one hundred and thirty-two” substitute “eighty-four”.

Section 44.—In sub-section (2), for “twelve” substitute “eight”.

Section 85.—In sub-section (1), omit clauses (iv), (vii) and (viii); and in sub-section (3), omit clauses (d), (g) and (h).

Schedule I.—Omit items 1 to 22, 24, 25, 79, 80, 82 to 117, 200, 240 and 241; and in the second column of item 23, for “Lahore” substitute “Amritsar”.

Schedule II.—Omit items 1 to 3 and 41 to 69.

Schedule IV.—Omit the entries relating to constituencies Nos. 55 to 62, the entry relating to constituency No. 63, except in so far as it relates to Gurdwara Baba Bir Singh in the revenue estate of Rattoki of Kasur tahsil, constituency No. 79, except in so far as it relates to the tahsils of Pathankot and the Zails of Marara, Mirzapur and Dugari of the tahsil of Gurdaspur, and constituencies Nos. 86 to 120.

*The Punjab Aerial Ropeways Act, 1926 (V of 1926)*

Section 6.—In sub-section (4) (ix), omit “the Federal Railway Authority or”.

*The Punjab Borstal Act, 1926 (XI of 1926)*

Section 28.—For clause (a) of sub-section (1), substitute :—

“(a) by any court or tribunal acting whether within or without the Provinces of India under the general or special authority of the Central Government or of any Provincial Government; or”;

for the words “Indian State” wherever they occur, substitute the words “Acceding State”; and omit the words “or the Crown Representative” wherever they occur.

*The Punjab Municipal (Executive Officer) Act, 1931*

(II of 1931)

Section 4.—In sub-clause (i) of clause (b) for “Rs. 45 in the case of the Municipality of Lahore and Rs. 25 in the case of other Municipalities” substitute “Rs. 25”.

*The Punjab Nurses Registration Act, 1932 (I of 1932)*

Section 2.—In clauses (a) and (c), for “the Punjab” substitute “the East Punjab”, and in clause (d), for “the Punjab” where it occurs for the first time, substitute “the East Punjab”.

Section 3.—In sub-section (1), for “the Punjab” substitute “the East Punjab”; and in sub-section (2), in clauses (a) and (b), for “Punjab” substitute “East Punjab”, in clause (c), for “twelve” substitute “six”, and in clause (d), for “three” substitute “two”.

Section 8.—In sub-section (1), for “Punjab” substitute “East Punjab”.

For the Schedule substitute :—



“THE SCHEDULE

(Section 3)

- (1) Nursing Superintendent, V. J. Hospital, Amritsar.
- (2) Nursing Superintendent, Memorial Mission Hospital, Ludhiana.
- (3) Nursing Superintendent, Francis Newton Hospital, Ferozepore.
- (4) Nursing Superintendent, Lady Reading Hospital, Simla.
- (5) Honorary District Secretary, Trained Nurses Association of India, East Punjab.
- (6) The Principal, Punjab Medical School for Women, Ludhiana.
- (7) The Principal, East Punjab Health School.
- (8) The Deputy Directress of Public Instruction, East Punjab.
- (9) The Professor of Midwifery, Glancy Medical College, Amritsar.
- (10) A nominee of the Delhi Province.
- (11) A Woman Assistant Surgeon in the service of the Provincial Government.
- (12) A member to be nominated by the Executive Committee of the Saint John Ambulance Association, East Punjab.
- (13) Two members who have been connected with a teaching Medical Institution.
- (14) Lady Superintendent, St. John's Ambulance Brigade, East Punjab.”

*The Punjab State Aid to Industries Act, 1935 (V of 1935)*

Section 2.—In clause (4), for “Punjab” substitute “East Punjab”.

Section 3.—In sub-section (1), in clauses (a), (b) and (f), for “Punjab” substitute “East Punjab”, in clause (c), for “four” substitute “three”, in clause (d), for “five” substitute “three”, and omit clause (e); and in sub-section (3), for “five” substitute “four”.

*The Punjab Entertainment Duty Act, 1936 (III of 1936)*

Schedule.—Omit entries (1), (2), (3), (5), (6), (7), (9), (10), (11), (12), (19), (20) and (21), and renumber the other entries serially.

*The Punjab Legislative Assembly (Removal of Disqualifications) Act, 1937 (II of 1937)*

Schedule.—In item 5, for “North-Western Railway” at both places substitute “East Punjab Railway”.

*The Punjab Village Panchayat Act, 1939 (XI of 1939)*

Section 43.—In clause (c), for the words from “Secretary of State” to “Railway Board” substitute “Central Government or a Provincial Government”.

*The Punjab Trade Employees Act, 1940 (X of 1940)*

Section 1.—In sub-section (3), for “Lahore, Amritsar, Sialkot, Ferozepore, Rawalpindi and Multan” substitute “Amritsar and Ferozepore”; and for “Jyallpur, Jaranwala, Gojra, Simla and Okara” substitute “and Simla”.

*The Punjab Urban Immoveable Property Tax Act, 1940  
(XVII of 1940)*

Section 4.—In clause (c) of sub-section (1), for “rating areas of Lahore and Simla” substitute “rating area of Simla”.

Schedule.—Omit the entries “Lahore”, “Kasur”, “Chunian”, “Pattoki”, “Khudian”, “Padhana”, “Kot Rai Buta Mal-cum-Azamabad”, “Raiwind Mandi”, “Lahore Cantonment” and all entries after “Bakloh Cantonment”.

*The Punjab Public Safety Act, 1947*

Section 13A.—In sub-section (1), omit “the city of Lahore”, and in sub-section (4), omit “the city of Lahore” and “the City of Lahore Corporation Act, 1941.”

MOUNTBATTEN OF BURMA,  
*Governor-General.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*

**MINISTRY OF LAW**

**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948*

**No. G. G. O. 41.**—The following Order made by the Governor-General is published for general information:

**THE INDIAN INDEPENDENCE (LIABILITIES)  
ORDER, 1948.**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the Indian Independence (Rights, Property and Liabilities) Order, 1947 (hereinafter referred to as "the principal Order"), providing amongst other matters for the initial distribution of liabilities consequential on the setting up of the Dominions of India and Pakistan, but subject to any agreement between the two Dominions or the Provinces concerned;

AND WHEREAS the agreements set out in the Schedule to this Order were reached from time to time between the two Dominions at meetings of the Partition Council, providing for the allocation of certain liabilities of the Governor-General in Council to the Dominion of Pakistan instead of to the Dominion of India;

AND WHEREAS it is expedient that the provisions of the principal Order should be varied in order to make it clear that those liabilities, having been accepted by the Dominion of Pakistan, have ceased to be liabilities of the Dominion of India;

AND WHEREAS sub-section (5) of section 19 of the said Act provides that any power conferred by that Act to make any Order includes power to vary any order previously made in the exercise of that power;

NOW, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the Indian Independence (Liabilities) Order, 1948.

(2) It shall come into force at once.

2. In this Order, "appointed day" means the fifteenth day of August, 1947.

3. Notwithstanding anything contained in Articles 8, 9 and 11 of the principal Order, the liabilities of the Governor-General in Council which were outstanding immediately

before the appointed day in respect of the following items shall not be, and shall be deemed never to have been, liabilities of the Dominion of India :—

(1) Any deposit in a Post Office Savings Bank, if—

- (a) the deposit was on the appointed day in a Post Office Savings Bank situate in the Dominion of Pakistan and has not been duly transferred before the commencement of this Order to a Post Office Savings Bank in the Dominion of India, or
- (b) the deposit was on the appointed day in a Post Office Savings Bank situate in the Dominion of India and has been duly transferred before the commencement of this Order to a Post Office Savings Bank in the Dominion of Pakistan.

(2) Any Post Office Five-year Cash Certificate, Post Office Twelve-year National Savings Certificate, or Defence-Savings Certificate, if—

- (a) the post office of issue of the Certificate is in the Dominion of Pakistan and the Certificate has not been duly transferred before the commencement of this Order to the books of a post office in the Dominion of India, or
- (b) the post office of issue of the Certificate is in the Dominion of India and the Certificate has been duly transferred before the commencement of this Order to the books of a post office in the Dominion of Pakistan.

(3) Any pension, whether a service pension or a political pension, if—

- (a) the pension was on the appointed day payable at a Government treasury, post office or other place situate within the Dominion of Pakistan and has not before the commencement of this Order been duly made payable at a place in the Dominion of India, or
- (b) the pension was on the appointed day payable at a place outside the Dominion of Pakistan and has before the commencement of this Order been duly made payable at a Government treasury, post office or other place situate within the Dominion of Pakistan.

- (4) Any excess profits tax deposit or interest thereon and any refundable surcharge or refundable excess profits tax, if the relevant assessment case has been transferred to Pakistan.
  - (5) Any bonus due to temporary clerical personnel in Government service who on the appointed day were serving in the Dominion of Pakistan.
  - (6) Any deposit by a local body, fund or institution situate in the Dominion of Pakistan.
  - (7) Any deposit by a railway company operating a branch line the working of which has been taken over by the Dominion of Pakistan.
  - (8) Any deferred pay of military personnel who have been transferred to the Dominion of Pakistan.
  - (9) Any outstanding money orders, if the post office which received the original credit is in the Dominion of Pakistan.
  - (10) Any Provident Fund deposit of a Government servant who has finally opted for service in the Dominion of Pakistan.
  - (11) Any postal life insurance policy the holder of which is serving under a Government in Pakistan or is residing in Pakistan.
4. Nothing contained in Article 3 of this Order shall affect the operation of any agreement between the two Dominions relating to—
- (a) the final adjustment of accounts in respect of any of the items mentioned in the said Article, or
  - (b) the allocation of liabilities in respect of any items other than those mentioned in the said Article, or
  - (c) the over-all financial settlement between the two Dominions.

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#### **THE SCHEDULE.**

#### **I. ALLOCATION OF LIABILITY IN RESPECT OF POST OFFICE SAVINGS BANK DEPOSITS, POST OFFICE CASH CERTIFICATES, DEFENCE SAVINGS CERTIFICATES, NATIONAL SAVINGS CERTIFICATES, AND POSTAL INSURANCE POLICIES.**

##### **(1) Recommendations of the Steering Committee.**

The Steering Committee recommend that the arrangement should be as follows:—

1. The two Governments should assume responsibility for all Savings Bank deposits and Cash, Defence and National Savings Certificates in their respective territories on the date of separation, on the basis of the location of the particular deposits on that date.

2. A general notification should be issued forthwith saying that, although the two Dominions would be separate, depositors of Savings Bank and holders of Cash, Defence and National Savings Certificates shall continue upto the 31st March 1948 to have the same privileges as regards transfers of the deposits or certificates from one post office to another, whether within the same Dominion or from one Dominion to another after separation, as they have at present.

This announcement should be issued on the authority of the representatives of the two future Governments on the Partition Council.

3. The Government taking over the services of an officer holding a Postal Insurance policy, on the option of that officer for the Government, should assume responsibility in regard to his insurance policy and the Postal Insurance Fund should be allocated between the two Governments after actuarial valuation on this basis.

4. This is to be an *ad hoc* settlement which is to have no influence on the general question of the allocation of the public debt of the country between the two new Dominions.

#### (2) Partition Council's Decision dated 29th July 1947

\* \* \* \* \*

The Council approved the recommendations of the Steering Committee on the reference made by Expert Committee No. II (Assets and Liabilities) regarding the allocation of liability in respect of postal savings bank deposits etc.

#### (3) Extracts from the Minutes of the Partition Council meeting held on 1st December 1947

*Case No. PC/216/20/47. Postal Cash, Defence and National Certificates.*

The formula approved by the Partition Council is that each Dominion should take liability for such Certificates as were registered in the territory of that Dominion on the 15th August, 1947. The matter however has been reconsidered at Pakistan's instance in view of the large transfer of populations that has since taken place. It was agreed that the following formula would be adopted to determine the liability of each Dominion for such Certificates:

- (a) The liability of both Dominions should be notionally assessed on the basis of outstandings as on the 14th August 1947.
- (b) For payments in either Dominion between 15th August 1947 and 31st March 1948 of certificates registered in the other, the Dominion making the payment will take the liability and the debts as calculated in (a) above will be corrected.
- (c) For transfers between the two Dominions between the 15th August 1947 and 31st March 1948 the liability will be adjusted by correcting the original debt as calculated in (a) above without payment of the capital value in cash.

## II. ALLOCATION OF LIABILITY IN RESPECT OF PENSIONS

### (1) Note by India on allocation of service pensions

Para. 11 (2) of the Indian Independence (Rights, Property and Liabilities) Order, 1947, has placed on the Indian Dominion the initial liability for the pensions which on the date immediately preceding the partition were the liability of the Governor-General in Council, subject under para. 13 (2) of the Order to Pakistan making such just and equitable contribution as may be agreed upon or in the absence of agreement determined by the Arbitral Tribunal.

2. In the discussions of the Expert Committee, complete agreement could not be reached regarding the allocation of the liability for pensions.

3. The liability for pensions falls into two categories—

- (a) liability in respect of serving officers for service under the combined Government up to the 14th August 1947;
- (b) liability for pensions of officers who had retired from service on or before the 14th August 1947 or who retire from service after that date but without opting for service under either Dominion.

4. During the discussion in the Expert Committee, it was agreed—

In regard to (a) that the liability should be assessed actuarially and shared between the two Dominions in the ratio determined for the allocation of the uncovered debt;

In regard to (b) that the India members considered that the same arrangement should be followed but the Pakistan members suggested that this liability should not be capitalised but Pakistan should share the current expenditure in the ratio of her share of the unallocated debt. The difference of opinion is therefore not in regard to the relative share of the liability but the method of discharging it.

5. It is suggested that the following proposals may be put before the Partition Council—

(a) The liability in regard to both the serving and retired officers should be capitalised, the work being entrusted to two actuaries one nominated by each with an umpire to resolve any difference between the two actuaries.

(b) The liability should be allocated between the two Dominions in the ratio of the unallocated debt.

(c) Each Dominion should then assume liability for the pensions paid in its territory and for the serving officers who have been taken over by it. If the capitalised value of the pensions paid in Pakistan and for personnel taken over by Pakistan is more than its share of the total liability under (b) the excess should be taken in reduction of the debt resulting from the partition.

(d) The existing facilities for the transfer of pensions should be discontinued as between the two Dominions. (If the facility is maintained after the partition for a short period as a matter of convenience, it should be subject to the usual financial adjustments.)

6. This note does not relate to 'political' pensions which are dealt with separately.

**(2) Extracts from the minutes of the Partition Council meeting held on 1st December, 1947**

*Case No. PC/195/20/47. Arrangements regarding the sharing of pensionary liabilities.*

India's proposals in para. 5(a) (b) and (c) of the paper for the Partition Council were accepted. The method of making financial adjustments for pensions transferred after the 14th August 1947 should be worked out.

**(3) Note by India on allocation of political pensions**

There was no agreement in the Political Department Sub-Committee or the Expert Committee about the allocation of Political Pensions.

2. The Pakistan representatives on the Expert Committee suggested that these pensions should be treated as common and the current payments shared in the agreed proportion by the two Dominions. All future pensions will be the liability of the sanctioning Dominion.

3. The India side proposed that these pensions should be capitalised and treated in the same way as service pensions. The total capitalised value will be added to the debt of the undivided Government, each side will assume liability for pensions which could be allocated to it on a territorial basis and the balance that cannot be so allocated will automatically be shared as part of the uncovered debt.

4. From the administrative point of view there is the same objection to Pakistan's proposal here as in the case of their similar proposal for service pensions. It will keep a common liability for a long period (in some cases perpetually) and is bound to create friction in day to day working. From all points of view it is desirable to have a final settlement at this stage.

5. Unlike service pensions most of the political pensions could be definitely linked to the territory in connection with which they were sanctioned. It will be fair to pass to the State now in possession of that territory the responsibility attaching to it. For example, speaking very broadly, the Oudh, Carnatic, Tanjore and Mahratta pensions would pertain to India while the Multan and Sind pensions would pertain to Pakistan.

6. There will be some pensions like the Murshidabad, Nizamat and Duleepsinghji pensions, which, on territorial considerations, would relate to area now in both the Dominions. In their case the initial liability may be taken by the Dominion in which the bulk of the territory now lies and the share of the other Dominion determined and cleared on a capitalised basis.

7. Once the liability for pensions is allocated to one or the other of the Dominions, each will be free to consider whether it should be continued, modified or stopped.

**(4) Extracts from the minutes of the Partition Council meeting held on 1st December, 1947**

*Case No. PC/201/20/47. Allocation of political pensions.*

These will be capitalised in the same manner as the civil pensions and the liabilities shared between the two Dominions in the ratio of the uncovered debt. Each Dominion will continue to disburse the pensions in



payment in its area and the necessary financial adjustment will be made as in the case of the civil pensions. This does not affect the right of either Dominion to terminate the grant of any political pension.

### III. ALLOCATION OF CERTAIN MISCELLANEOUS LIABILITIES TO THIRD PARTIES AND CERTAIN ITEMS OF "UNFUNDED DEBT".

#### (1) Extracts from the Report of the Expert Committee (No. II) on Assets and Liabilities

\* \* \* \* \*

12. \* \* \* \* \*

(c) Miscellaneous liabilities may be allocated as shown in Annexure II.

\* \* \* \* \*

(i) In Annexure V, we have set out a list of the various items falling under "unfunded debt" and have indicated the manner in which item should be allocated between the two States. As regards contingent liabilities, in cases involving large amounts like the liability for the British First War Loan, the Committee consider that these should directly be apportioned between the two Governments in the ratio of the uncovered debt. In cases involving small amounts the liability may be valued on a basis acceptable to both the States and a final adjustment made between them, say, not later than 31st March 1948.

\* \* \* \* \*

#### ANNEXURE II

##### (PARAGRAPH 12(c) OF REPORT)

##### ALLOCATION OF MISCELLANEOUS LIABILITIES

This note deals with all miscellaneous liabilities of the present Central Government to third parties. The various items may be dealt with as follows:—

(a) *EPT Deposits, refundable surcharge, refundable EPT and interest on EPT Deposits.*—For all assessment cases transferred to Pakistan the liability for refunds may be taken over by Pakistan.

(b) *Village Savings Deposits.*—These relate to schemes sponsored by the United Provinces and Madras Governments and the liability may be assumed by the Indian Dominion.

(c) *Bonus to temporary clerical personnel.*—The outstanding balance will represent payments due to the temporary men in service. The Dominion in which they are employed immediately after partition will take over the liability in respect of them.

(d) *Deposits of local funds.*—The liability may be allocated generally on the basis of the location of the local fund or body. In the case of all-India funds, if any, the allocation may be made on an *ad hoc* basis by the two governments by mutual agreement.

(e) *Deposits of Branch line companies.*—The amount involved is petty. The Dominion working the branch line may take over the liability.

(f) *Civil Deposits*.—These deposits cover a variety of transactions broad details of which as at the end of 1944-45 are given on pages 127—130 of the Finance Accounts of that year. No uniform principle would cover all these deposits. A large number could be allocated on the basis of location but in cases of deposits of specific outside funds like the Coffee Cess Fund, the Indian Research Fund, the Lac Cess Fund etc. the wishes of the Funds should be ascertained. A detailed investigation into the various deposits will be necessary.

*Other Deposits*.—These consist of Deposits of the Posts and Telegraphs Department, Defence Services and Railways. Posts and Telegraph Deposits consist of Dead Savings Bank deposits, unclaimed deposits of savings banks, deposits on account of foreign money orders and miscellaneous items. The deposits on account of savings banks (Dead S. B. Accounts and Unclaimed S. B. Deposits) may be allocated with reference to the location of the Post Office to which the deposit relates and the credit on account of Foreign Money Orders with reference to the relevant office of origin. Miscellaneous items may be allocated with reference to their location or otherwise by mutual agreement between the two Dominions.

Defence Services Deposits consist of security deposits, field deposits, unclaimed Provident Fund deposits and other miscellaneous items. It is not possible to lay down any general principle for allocating the liability beyond saying that after detailed examination of the items the liability should as far as possible follow the allocation of the troops between the two Dominions and other factors.

Railway Deposits consist of a number of miscellaneous items and the liability could be transferred with the Railways transferred to each Dominion. Any item which cannot be clearly allocated should be settled by mutual agreement.

*Deposit account of Dangs*.—This relates to the administration of the Dang areas in Surat and the liability may be retained by the Indian Dominion.

*Deferred Pay of Indian Troops*.—The liability may be allocated on the basis of the personnel transferred to the respective Dominion.

*Balances of Coorg*.—The liability may be allocated to India as Coorg lies in the Indian Union.

*Undisbursed Pay*.—This represents undisbursed pay of members of the Civil Pioneer Force. The liability may be allocated on the basis adopted for the uncovered debt if it cannot be allocated on the basis of the personnel as the units may have been disbanded.

*Accounts with Burma*.—There was a credit balance under this head on the 31st March '45. Details of the transactions will have to be obtained and the liability allocated with by mutual agreement with reference to the location of the transactions or other relevant factors.

*Outstanding Cheques*.—Every effort should be made to have the cheques cashed before the 31st March '48 so that the transactions are taken against the combined account. Any small balance that may be left may be allocated with reference to the transaction to which the outstanding cheque relates.

*Value of one rupees notes.*—This is covered by a recommendation of the Expert Committee on Currency and Coinage.

*Outstanding Money Orders.*—With the accounts kept open till the 31st March 1948 the outstandings should be small. The payment may be claimed from the Dominion which received the original credit.

*Deposits on account of Enemy Property.*—The liability may have to be segregated and dealt with separately. If the balance lapses to the two Dominions under the peace treaties and is set off against reparations or other payments under the peace treaties there will be no liability to discharge.

## ANNEXURE V

### (PARAGRAPH 12 (i) OF REPORT)

The various items falling under 'Unfunded Debt' may be dealt with as follows:—

(a) *Special Loans.*—These represent certain special deposits, mostly for charitable purposes, accepted at special rates of interest, in the past, the most important item of which is the endowment by the late King of Oudh amounting to Rs. 137 lakhs. There is only one item (Lawrence Memorial Asylum at Murree) which seems to relate to Pakistan. Subject to verification of details the liability may be allocated on a territorial basis to each Dominion except that the liability for the Oudh loan should be further examined and settled between the two Governments.

(b) *Treasury Notes.*—The entire outstandings pertain to Madras and the liability may be retained by the Indian Dominion.

(c) *Deposits of Service Funds.*—The balances represent—

(1) deposits of certain Service Funds (like the Bengal and Madras Uncovenanted Family Pension Fund) which are not under the control of Government but the balances of which are deposited with Government on favourable terms of interest; and

(2) deposits of the Indian Military Widows and Orphans Fund, the I. M. S. Family Pension Fund and the untransferred portion of the I. C. S. Family Pension Fund.

In regard to (1) it will be necessary to consult the administrators of the Funds and the subscribers through them before the balances can be split between the two Governments. The balances in (2) may be funded in sterling with H.M.G. as part of the sterling balances negotiations.

\* \* \* \* \*

(f) *State Provident Funds.*—The liability for the balances in these funds may be taken over by the Government to whose service the Government servant is transferred. In respect of Government servants on leave preparatory to retirement who have opted for neither Government the liability may be allocated between the two Governments the depositors being given the option to choose the particular Government.

(g) *Other Accounts*.—These consist of deposits of the Postal Life Insurance Fund and a number of miscellaneous funds like the Railway Staff Benefit Fund, the General Family Pension Fund, etc. In the case of the Postal Life Insurance Fund the liability for the policies may be taken over by the Government to whose service the policy holder is transferred or in whose territory the insurant resides and is paying his premium if he is a retired officer. For this purpose, the Insurance Fund should be valued as on the date of separation. As regards the other miscellaneous funds the liability should be allocated by location as far as possible and in the case of outside bodies in consultation with them.

**(2) Steering Committee's note on the Report of Expert Committee No. II**

1. The report of Expert Committee No. II has already been circulated. The report covers a wide field and there are differences of opinion over many vital issues. The Steering Committee have not had time to consider the points at issue in detail and to narrow down the margin of differences. It is suggested therefore that further consideration of this report be postponed till the first meeting after the 15th August of the reconstituted Partition Council.

2. The Expert Committee No. II has been unable to reach a decision in regard to the cash balances to be allocated to the Pakistan Government. As that Government will start functioning from the 15th of August, it will need a working balance from that date. The Steering Committee have been unable to resolve the points at issue, which are submitted to the Partition Council for orders.

**(3) Extract from the meeting of the Partition Council held on Wednesday, the 6th August 1947**

*Case No. PC/143/16/47. Report of Expert Committee on Assets and Liabilities.*

The Council agreed—

(i) that points of difference\* in Expert Committee No. II's report which the Steering Committee were unable to agree upon should be referred to the Arbitral Tribunal;

(ii) that a working balance of Rs. 20 crores should be allocated to the Pakistan Government.

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\* The Council impliedly approved of the recommendations of the Expert Committee in regard to points of agreement.

**MOUNTBATTEN OF BURMA,**

*Governor-General.*

**K. V. K. SUNDARAM,**

*Officer on Special Duty.*

**MINISTRY OF LAW**  
**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948.*

**No. G. G. O. 42.**—The following Order made jointly by the Governors-General of India and Pakistan is published for general information :—

**THE PAKISTAN MONETARY SYSTEM AND  
RESERVE BANK (AMENDMENT) ORDER, 1948**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor General of India was pleased to make on the 14th day of August 1947 the Pakistan (Monetary System and Reserve Bank) Order, 1947 (hereinafter referred to as "the principal Order");

AND WHEREAS an agreement has been reached between the Dominions of India and Pakistan that the provisions of the principal Order should be modified and supplemented in certain respects;

AND WHEREAS sub-section (5) of section 19 of the Indian Independence Act, 1947, provides that any power conferred by that Act to make any Order includes power to revoke or vary any Order previously made in the exercise of that power;

NOW, THEREFORE, in the exercise of the powers aforesaid and of all other powers enabling them in that behalf, the Governor General of India and the Governor General of Pakistan, acting jointly, are pleased to make the following Order :—

1. (1) This Order may be cited as the Pakistan Monetary System and Reserve Bank (Amendment) Order, 1948.

(2) It shall come into force at once.

2. In section 2 of Part I of the principal Order, after clause (e), the following clause shall be inserted, namely :—

"(ee) 'Pakistan rupee coin' means rupee coin which is for the time being legal tender in Pakistan, and not in India, and includes the one rupee notes referred to in section 9 of Part II of this Order;"

3. In Part II of the principal Order,—

(1) in section 2, sub-section (1) of section 4, sub-sections (2) and (3) of section 5, sub-section (9) of section 12, sub-

section (1) of section 13 and section 17, for the word "September" wherever it occurs the word "June" shall be substituted;

(2) in sub-section (1) of section 4, the second proviso shall be omitted;

(3) to section 6, the following sub-section shall be added, namely:—

"(4) The provisions of this section shall have effect only up to the 30th day of June, 1948.";

(4) in sub-section (2) of section 7, for the word "October" the word "July" shall be substituted; and

(5) in section 11 for the figures and words "31st day of March" the figures and words "30th day of June" shall be substituted.

4. In Part III of the principal Order,—

(1) in section 1, in the opening paragraph for the word "September" the word "June" shall be substituted, in clause (13) for the figures and words "31st day of March" the figures and words "30th day of June" shall be substituted, and the proviso shall be omitted; and

(2) in section 2, for the word "September" the word "June" shall be substituted.

5. In Part IV of the principal Order,—

(1) in section 1,—

(a) in sub-section (1), the words "in respect of any period" and the proviso shall be omitted, and for the words "payable in respect of that period" the words and figures "payable in respect of the year ending on the 30th day of June, 1948" shall be substituted;

(b) for sub-section (2) the following sub-section shall be substituted, namely, :—

"(2) The Government of India shall pay to the Government of Pakistan an amount which bears to the Government's bank profits the same proportion as the total value of Pakistan notes in circulation in Pakistan on the 30th day of June, 1948 *plus* the total value of India notes returning from circulation in Pakistan in the year commencing on the 1st day of July, 1948 bears to the total value of India notes and Pakistan notes in circulation in India and Pakistan on the 30th day of June, 1948.";

(2) in sub-section (1) of section 2 for the word "September," the word "June" shall be substituted;

(3) for sub-section (2) of section 3 the following sub-sections shall be substituted, namely, :—

(2) There shall be added to the debt due by the Government of Pakistan to the Government of India an amount equal to the amount of one-rupee notes of the Government of Pakistan issued up to the 30th day of June, 1948.

(3) The Government of India shall have no liability whatsoever in respect of the one-rupee notes of that Government circulating in Pakistan after the 30th day of June, 1948.

(4) The Government of Pakistan shall exchange at par all one-rupee notes of the Government of India returning from circulation in Pakistan after the 30th day of June, 1948, and shall return to the Government of India all notes so exchanged.

(5) The debt due to the Government of India by the Government of Pakistan shall be deemed to be reduced by an amount equal to the amount of the notes returned under sub-section (4) of this section before the 1st day of July, 1949, or to the amount mentioned in sub-section (2) of this section, whichever is less." ;

(4) in section 4—

(a) for the word "September," wherever it occurs, the word "June" shall be substituted;

(b) in sub-section (2), for the words and figures "until the 31st March, 1949, and there shall from time to time on the demand of the Government of Pakistan" the following shall be substituted, namely, :—

"until the 30th day of June, 1949, and on the delivery of such notes to the Bank from time to time in instalments of not less than five crores of rupees each, there shall";

and for the words "amount of notes accepted" the words "amount of notes delivered" shall be substituted;

(c) in sub-section (3), for the word "accepted" the word "delivered" shall be substituted, and after the figures "1948" the words "and in accordance with the following provisions of this Part" shall be added; and

(d) sub-section (4) shall be omitted;

(5) sub-sections (5) and (6) of section 4 shall be made a separate section and re-numbered respectively as sub-sections and before the said sections 14 and 15 as so re-numbered, the and before the said sections 14 and 15 as so renumbered, the following sections shall be inserted, namely,

“5. All transfers of gold under the provisions of section 4 shall, except in the last instalment, be in such number of gold bars as do not exceed in value the amount due to be transferred in gold in that instalment.

6. For the purpose of determining Pakistan's share of sterling securities and Government of India securities under the provisions of sub-section (3) of section 4.—

(a) the amount of sterling securities held in the Issue Department of the Bank on the 30th day of June, 1948, shall be deemed to be reduced, and the amount of Government of India securities so held on that day shall be deemed to be increased by the amount by which the amount of sterling held in the Banking Department of the Bank on that day falls short of the aggregate of—

(i) the amounts payable in sterling to the Government of the United Kingdom in pursuance of any agreement that may be reached as to the final settlement of the sterling balances,

(ii) the amounts payable in sterling to the Government of Pakistan and the Provincial Governments in Pakistan under the provisions of section 11, and

(iii) the amount of the balance at the credit of the Bank's account No. I with the Bank of England; and

(b) the increase in each kind of Government of India securities under clause (a) shall bear the same proportion to the total increase as the amount of that kind of securities held in the Issue Department of the Bank on the 30th day of June, 1948, bears to the total amount of Government of India securities so held on that day.

7. Any one-rupee notes of the Government of India transferred to the Government of Pakistan under the provisions of section 4 shall be returned by that Government to the Government of India without payment, and any other India rupee coin so transferred shall be disposed of by the Government of Pakistan in accordance with the provisions of sub-section (1) of section 3 as if it were retired rupee coin.



8. Any Pakistan rupee coin remaining with the Bank after the transfers have been effected in accordance with the provisions of section 4 shall be made over to the Government of India for disposal otherwise than as coin.

9. (1) The Government of Pakistan shall, as expeditiously as possible, return to the Bank at its office in India all India notes, India rupee coin and Pakistan rupee coin held in the currency chests of the Bank in Pakistan on the 30th day of June, 1948, and no such notes or coins shall be put into circulation from those currency chests in Pakistan after that day.

(2) Notwithstanding anything contained in the preceding sections of this Part,—

(a) no assets of the Issue Department of the Bank shall be transferred to the Government of Pakistan until so much at least of the notes and coins referred to in sub-section (1) of this section has been delivered to the Bank as reduces the value of the remainder held in Pakistan to an amount equal to or less than the value of Pakistan notes in circulation on the 30th day of June, 1948; and

(b) the Bank shall be entitled to withhold from the value of all or any of the assets to be transferred thereafter to the Government of Pakistan from the Issue Department of the Bank an amount equal to the value of the remainder of the said notes and coins which are for the time being held in Pakistan.

10. (1) The cost of remittance from Pakistan to India of any notes or coins under the provisions of section 9 shall be borne by the Bank.

(2) The cost of remittance of any notes, coins, gold and securities under the provisions of sections 3 and 4 shall be borne by the Government of Pakistan.

11. (1) The amounts standing to the credit of the Government of Pakistan, or any Provincial Government in Pakistan, with the Bank on the 30th day of June, 1948, shall be paid by the Bank—

(a) in Pakistan currency, to the extent that such currency is available in the Banking Department of the Bank on that date; and

(b) the remainder, by transfer from the balance in the Bank's Pakistan account with the Bank of England, and to the extent that such balance is insufficient, by transfer from the Bank's No. II account with the Bank of England.

(2) Any amount that banks in Pakistan may require the Bank to transfer to the Government of Pakistan out of their deposits with the Bank in order to comply with the requirements of any law for the time being in force in Pakistan shall, if the transfer is to be made after the 30th day of June, 1948, be paid by the Bank by transfer from its No. II account with the Bank of England.

12. The transfer to the Government of Pakistan of the Government's Bank profits under the provisions of section 1 and of the assets of the Issue Department of the Bank under the provisions of section 4 shall be provisional pending the settlement of Burma's claim to a share of the Bank's profits and assets and shall be subject to readjustment when that claim is finally settled.

13. Until the 30th day of June, 1948, there shall be no exchange control as between India and Pakistan, nor shall any restrictions be placed on the transfer of funds or securities from one Dominion to the other, whether such transfers are on capital account or current account." ; and

(6) in section 15, as renumbered by clause (5) above, after the words "the context so permits" the words and figures "and until the 30th day of June, 1948," shall be inserted.

M. A. JINNAH,	MOUNTBATTEN OF BURMA,
<i>Governor General, Pakistan.</i>	<i>Governor General, India.</i>

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K. V. K. SUNDARAM,  
*Officer on Special Duty.*

## **MINISTRY OF LAW**

**(Reforms)**

### **NOTIFICATION**

*New Delhi, the 31st March, 1948.*

**No. G. G. O. 38.**—The following Order made by the Governor-General is published for general information:—

#### **THE INDIA PROVISIONAL CONSTITUTION (THIRD AMENDMENT) ORDER, 1948.**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the India (Provisional Constitution) Order, and other orders providing for adaptations and modifications of the Government of India Act, 1935;

AND WHEREAS it appears to the Governor-General to be expedient to make certain further modifications of the said Government of India Act, 1935;

AND WHEREAS sub-section (5) of section 19 of the India Independence Act, 1947, provides that any power conferred by that Act to make any order includes power to vary any order previously made in the exercise of that power;

NOW, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the India Provisional Constitution (Third Amendment) Order, 1948.

(2) It shall come into force at once.

2. In this Order, “the Act” means the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Order, 1947, and subsequent orders.

3. In section 28 of the Act, for the words “members of the Indian Legislature”, the words “members of the House of Commons of the Parliament of the United Kingdom” shall be substituted.

4. In section 29 of the Act, for the words beginning with the words “allowances at such rates” and ending with the

words "Indian Legislatures" the following shall be substituted, namely :—

"the rules relating to allowances and other matters which immediately before the establishment of the Dominion were applicable to members of the Legislative Assembly of the Indian Legislature shall apply to members of the Dominion Legislature subject to such modifications as may from time to time be made therein by the Governor-General".

5. To section 91 of the Act, the following proviso shall be added, namely :—

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"Provided that the Governor-General may at any time by Order—

(a) direct that the whole or any specified part of an excluded area shall become, or become part of, a partially excluded area;

(b) direct that the whole or any specified part of a partially excluded area shall cease to be a partially excluded area or a part of such an area;

(c) alter, but only by way of rectification of boundaries, any excluded or partially excluded area;

(d) on any alteration of the boundaries of a Province; or the creation of a new Province, declare any territory not previously included in any Province to be, or to form part of, an excluded area or a partially excluded area, and any such Order may contain such incidental and consequential provisions as appear to the Governor-General to be necessary and proper."

MOUNTBATTEN OF BURMA,  
*Governor-General.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*

## MINISTRY OF LAW

### (Reforms)

#### NOTIFICATION

*New Delhi, the 31st March, 1948*

**No. G. G. O. 39.**—The following Order made by the Governor-General is published for general information:—

#### THE INDIA PROVINCIAL LEGISLATURES (AMENDMENT) ORDER, 1948

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the India (Provincial Legislatures) Order, 1947 [which Order as subsequently amended by the India Provisional Constitution and Provincial Legislatures (Amendment) Order, 1947, and the India Provincial Legislatures (Amendment) Order, 1947, is hereinafter referred to as “the principal Order”];

AND WHEREAS it appears to the Governor-General to be expedient to make certain further modifications in the principal Order;

AND WHEREAS sub-section (5) of section 19 of the said Act provides that any power conferred by that Act to make any order includes power to revoke or vary any order previously made in the exercise of that power;

AND WHEREAS sub-section (3) of section 9 of the said Act provides that any order made under that section may be made so as to be retrospective to any date not earlier than the third day of June, 1947;

NOW, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. This Order may be cited as the India Provincial Legislatures (Amendment) Order, 1948.

2. In Article 4 of the principal Order,—

(a) for the proviso to paragraph (1), the following proviso shall be substituted, namely:—

“Provided that none of the sitting members of the Bengal Legislative Assembly representing the Bengal Chamber of Commerce constituency, nor the sitting member of that Assembly representing the general rural constituency of Nadia and filling the seat reserved for members of the scheduled castes

shall be deemed to have been elected by that constituency to the Legislative Assembly of West Bengal."

(b) In the second column of the Table below paragraph (2), for the word "Navadwip" the word "Nadia" shall be substituted; and

(c) In paragraph (3), sub-paragraphs (a) and (c) shall be omitted.

3. In the list of adaptations pertaining to the Government of India (Provincial Legislative Assemblies) Order, 1936, as set out in the Schedule to the principal Order,—

(a) to the adaptations pertaining to paragraph 27 of Part IV of the Order in Council, the following further adaptation shall be added, namely:—

"In sub-paragraph (3), for 'either of the said seats' substitute 'the said seat'."

(b) in Tables I and II of the Fourth Schedule specifying the General and Muhammadan constituencies of West Bengal, for the word "Navadwip" wherever it occurs, the word "Nadia" shall be substituted; and

(c) in the entry relating to the extent of the 24-Parganas North-East constituency in Table II of the said Fourth Schedule, for the words "Deganga and Habra police stations", the words "Deganga, Habra, Gaighata and Bangaon police stations" shall be substituted.

4. To the list of adaptations pertaining to the Government of India (Provincial Elections) (Corrupt Practices and Election Petitions) Order, 1936, as set out in the Schedule to the principal Order, the following further adaptations shall be added, namely:—

"In Part IV, in paragraph 2 for "British India" substitute "a Governor's or Chief Commissioner's Province", and in paragraphs 6 and 8 for the words "Federal" and "Federation", wherever they occur substitute "Dominion"."

5. The amendments made by the preceding provisions of this Order shall be deemed to have been made on the fifteenth day of August, 1947, and shall have effect accordingly.

MOUNTBATTEN OF BURMA,  
*Governor-General.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*

## **MINISTRY OF LAW**

### **(Reforms)**

#### **NOTIFICATION**

*New Delhi, the 31st March, 1948*

**No. G. G. O. 40.**—The following Order made by the Governor-General is published for general information:—

#### **THE INDIAN INDEPENDENCE (ADAPTATION OF BENGAL AND PUNJAB ACTS) ORDER, 1948.**

WHEREAS sub-section (3) of section 18 of the Indian Independence Act, 1947, provides that save as otherwise expressly provided in the said Act, the law of British India and of the several parts thereof existing immediately before the appointed day shall, so far as applicable and with the necessary adaptations, continue as the law of each of the new Dominions and the several parts thereof, until other provision is made by laws of the Legislature of the Dominion in question or by any other Legislature or other authority having power in that behalf;

AND WHEREAS sub-section (1) of section 9 of the said Act provides that the Governor-General shall by Order make such provision as appears to him to be necessary or expedient for bringing the provisions of the said Act into effective operation and for removing difficulties arising in connection with the transition to the provisions of the said Act;

NOW, THEREFORE, in the exercise of the powers conferred by the said Act, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the Indian Independence (Adaptation of Bengal and Punjab Acts) Order, 1948.

(2) It shall come into force at once.

2. In this Order the expressions “Bengal Act” and “Punjab Act” have the meanings assigned to them, respectively, by clauses (5) and (44a) of section 3 of the General Clauses Act, 1897.

3. (1) The Bengal Acts and Punjab Acts specified in the Schedule to this Order shall until repealed or altered or amended by a competent Legislature or other competent authority have effect subject to the adaptations directed by that Schedule and by paragraph (2) or paragraph (3), as the case may be, of this Article:

(2) Wherever the expression "Bengal" occurs in a Bengal Act (otherwise than in a title or preamble or in a citation or description of an enactment or in the expressions "Lieutenant-Governor of Bengal", "Bengal Presidency", "Western Bengal", "Eastern Bengal", "Fort William in Bengal", "Bengal-Nagpur Railway", "Bengal Chamber of Commerce", "Bengal National Chamber of Commerce", "Domiciled Community of Bengal" and "European Association of Bengal") whether in an Act specified in the Schedule to this Order or not, then, unless that expression is by that Schedule expressly directed to be otherwise modified or to be omitted, there shall be substituted for the expression "Bengal" the expression "West Bengal".

(3) Wherever the expression "the Punjab Legislative Assembly" or the expression "the Punjab" otherwise than in the expression "the Punjab Legislative Assembly" occurs in a Punjab Act (otherwise than in the short title thereof or in any citation or description of an Act) whether in an Act specified in the Schedule to this Order or not, then there shall be substituted for the expression first-named the expression "the East Punjab Legislative Assembly" and for the expression second-named the expression "East Punjab."

(4) References in the Schedule to this Order to any Bengal Act or Punjab Act shall be construed as references to that Act as subsequently amended and as in force in the Dominion of India or any part thereof immediately before the coming into force of this Order.

4. The provisions of this Order shall have effect notwithstanding anything to the contrary contained in the India (Adaptation of Existing Indian Laws) Order, 1947.

## THE SCHEDULE

### BENGAL ACTS

#### *The Bengal Districts Act, 1864 (IV of 1864)*

Omit "of Bengal", and for "subject to the control of the said Provincial Government" substitute "to which this Act extends."

#### *The Canals Act, 1864 (V of 1864)*

Throughout the Act for the words "Provincial Government of Bengal" and the words "Government of Bengal" wherever they occur, substitute "Provincial Government."



*The Bengal (Prevention of Inoculation)  
Act, 1865 (IV of 1865)*

Section 3.—Omit “of Bengal” at both places.

*The Bengal Public Gambling Act, 1867 (II of 1867)*

Section 2.—Omit the words “of Bengal” where they first occur.

*The Bengal Ports Act, 1867 (III of 1867)*

Section 2.—For “Provinces under the control of the Provincial Government of Bengal” substitute “territories to which this Act extends.”

*The Bengal Rent (Appeals) Act, 1867 (IV of 1867)*  
Section 5.—Omit “of Bengal.”

*The Bengal Land Revenue Sales Act, 1868 (VII of 1868)*  
Section 6.—Omit “of Bengal.”

*The Bengal Cruelty to Animals Act, 1869 (I of 1869)*  
Section 10.—Omit “of Bengal.”

*The Bengal Police Act, 1869 (VII of 1869)*  
Section 2.—Omit “of Bengal”.

Section 6.—For “Provinces under the control of the Provincial Government of Bengal” substitute “territories to which it extends.”

*The Village Chowkidari Act, 1870 (VI of 1870)*

Section 68.—Omit “in the Provinces subject to the Provincial Government of Bengal” and for “said Provincial Government” substitute “Provincial Government concerned.”

*The Puri Lodging-House Act, 1871 (IV of 1871)*

Sections 1 and 38.—Omit “of Bengal” at all places.

*The Howrah Bridge Act, 1871 (IX of 1871)*

Sections 11, 14, 15, 16 and 17.—For the words “Secretary of State for India in Council”, “said Secretary of State for India in Council”, “said Secretary of State in Council” and “said Secretary of State”, wherever they occur, substitute the word “Government.”

*The Bengal Survey Act, 1875 (V of 1875)*

Section 1.—For “territories subject to the Lieutenant-Governor of Bengal” substitute “the Provinces of West Bengal and Bihar and that part of the Province of Orissa which on the sixth day of October 1875 was subject to the Lieutenant-Governor of Bengal.”

*The Bengal Muhammadan Marriages and Divorces*

*Registration Act, 1876 (I of 1876)*

Section 1.—For “the Provinces subject to the Provincial Government of Bengal to which the said Provincial Government” substitute “West Bengal, Bihar or Orissa to which the Provincial Government concerned.”

*The Land Registration Act, 1876 (VII of 1876)*

Section 3.—In clause (7), omit “of Bengal.”

*The Puri Lodging-House (Extension) Act, 1879 (II of 1879)*

Section 3.—For “Provincial Government of Bengal” substitute “Provincial Government of West Bengal, Bihar or Orissa.”

*The Darjeeling Steam Tramway Act, 1879 (VI of 1879)*

Section 2.—After the words “Secretary of State” where they occur for the second time, insert “or the Provincial Government.”

*The Bengal Rent Settlement Act, 1879 (VIII of 1879)*

Section 1.—For “all the territories” substitute “the district of Darjeeling and to that part of the Province of Orissa which on the fourth day of June 1879 was.”

*The Court of Wards Act, 1879 (IX of 1879)*

Section 1.—For the second paragraph substitute:—

“It extends to the Provinces of West Bengal, Bihar and Assam and that part of the Province of Orissa which on the 30th day of July, 1879, was subject to the Lieutenant-Governor of Bengal.”

Section 50.—For “the Imperial Parliament” substitute “Act of Parliament”; omit “or of the Federation”; for “any Act of a Legislature established in British India” substitute “any Central or Provincial Act”; and for “the Government of Bengal” substitute “the Provincial Government”.

*The Bengal Vaccination Act, 1880 (V of 1880)*

Section 1.—In the fourth paragraph, omit “of Bengal”.

*The Cess Act, 1880 (IX of 1880)*

Section 7.—Omit “of Bengal”.

Section 74.—For “territories administered by the Lieutenant-Governor of Bengal” at both places substitute “Province”.

Schedule G.—Omit items 7 to 16 and the item “Rangpur”; and renumber item 17 as item 7.

*The Bengal Embankment Act, 1882 (II of 1882)*

Section 1.—For the second paragraph substitute:—

“It extends to the Provinces of West Bengal and Bihar, and also to that part of the Province of Orissa which on the twenty-first day of June 1882 was subject to the Lieutenant-Governor of Bengal, but only as provided in Part IX.”

*The Bengal Tramways Act, 1883 (III of 1883)*

Section 2.—For “Federal Railway Authority” substitute “Central Government”.

Section 20.—For clause (a) substitute:—

“(a) if the tramway is a railway, by the Central Government;”.

Section 26.—Omit “of the Federal Railway Authority, or, if the Central Government so direct”.

*The Bengal Ferries Act, 1885 (I of 1885)*

Section 2.—For “all the territories” substitute “the Provinces of West Bengal and Bihar and to that part of the Province of Orissa which on the first day of August 1885 was”.

*The Bengal Local Self-Government Act, 1885 (III of 1885)*

Third Schedule.—For the list of districts substitute:—

“All districts of West Bengal other than Jalpaiguri and Darjeeling.”

*The Calcutta Port Act, 1890 (III of 1890)*

Section 5.—For “nineteen” substitute “eighteen”, and omit item (v).

*The Land Records Maintenance Act, 1895 (III of 1895)*

Section 11.—For “British India” at both places substitute “a Province of India”, and for “British consul” substitute “Indian or British consul”.

*The Estates Partition Act, 1897 (V of 1897)*

Section 1.—In sub-section (2), for “territories” substitute “Provinces of West Bengal and Bihar and that part of the Province of Orissa which on the eighth day of December 1897 was”.

*The Bengal General Clauses Act, 1899 (I of 1899)*

Long title and preamble.—After “Bengal Acts” insert “and West Bengal Acts”.

Throughout the Act, except in clause (6) of section 3, after the words “Bengal Act” wherever they occur, insert “or West Bengal Act”.

Section 3.—In the opening clause after “commencement of this Act” insert “and in all West Bengal Acts”; in clause (34), for “British India” substitute “a Province”; and after clause (45), insert—

“(45a) “West Bengal Act” shall mean an Act made by the Provincial Legislature of West Bengal under the Government of India Act, 1935.”

Section 5A.—In sub-section (1) omit “Federal Government” and “Federal Railway Authority”, and after “Bengal Acts” insert “and West Bengal Acts”.

Section 6.—In sub-section (1), for “Governor” where it occurs for the last time substitute “Governor of Bengal”.

Sections 14 and 14A.—After “Bengal Acts” insert “and West Bengal Acts”.

Section 31.—For “the Governor under” at both places substitute “the Governor of Bengal under”; and after “section 89 of the said Act” insert “or by the Governor of West Bengal under section 88 of the said Act”.

*The Bengal Public Parks Act, 1904 (II of 1904)*

Section 1.—In sub-section (2), for “Bengal” substitute “West Bengal, Bihar or that part of Orissa which on the ninth day of March 1904 was included in Bengal”.

*The Bengal Settled Estates Act, 1904 (III of 1904)*

Section 1.—For sub-section (2) substitute:—

“(2) It extends to the Provinces of West Bengal and Bihar and to that part of the Province of Orissa which on the ninth day of March 1904 was included in Bengal”.

*The Bengal Smoke Nuisances Act, 1905 (III of 1905)*

Section 2.—In sub-section (1), for “Bengal” substitute “West Bengal, Bihar or that part of the Province of Orissa which on the third day of May 1905 was included in Bengal”

*The Bengal Excise Act, 1909 (V of 1909)*

Section 2.—Omit clause (1A); and in clause (12), for “British India” substitute “a Province of India”.

Section 9.—For “British India” at both places, substitute “any Province of India”.

Section 48.—For “British India” substitute “India”.

*The Bengal Public Demands Recovery Act, 1913 (III of 1913)*

Schedule II.—In form No. 9, omit “in the name of the King, Emperor of India”.

*The Bengal Medical Act, 1914 (VI of 1914)*

Section 30.—For “Bengal Act or any Act of the Central Legislature in force in Bengal” at both places, substitute “Central or Provincial Act in force in West Bengal”.

Omit section 34.

*The Bengal (Aliens) Disqualification Act, 1918 (III of 1918)*

Section 3.—For “any State in India” at both places, substitute “an Acceding State”.

*The Bengal Village Self-Government Act, 1919 (V of 1919)*

Section 10.—For “any State in India” at both places, substitute “an Acceding State”.

*The Eastern Frontier Rifles (Bengal Battalion) Act, 1920  
(II of 1920)*

Long title, sub-section (1) of section 1, clause (2) of section 3 and the Schedule.—For “Bengal Battalion” substitute “West Bengal Battalion”.

Section 3.—In clause (3), omit “and the Superintendent of the Chittagong Hill Tracts”.

*The Bengal Amusements Tax Act, 1922 (V of 1922)*

Section 1.—In clause (c) of sub-section (3), omit “Dacca”.

*The Goondas Act, 1923 (I of 1923)*

Section 2.—Omit clause (1).

*The Calcutta Municipal Act, 1923 (III of 1923)*

Section 3.—In clause (3A), after “India” insert “or Pakistan or an Indian State”.

Section 38.—In sub-section (1), for “Crown” substitute “Constitution of India” and for “His Majesty the King Emperor of India, His Heirs and successors” substitute “the Constitution of India as by law established”.

*The Bengal Aerial Ropeways Act, 1923 (VII of 1923)*

Section 1.—In sub-section (2), omit “except the Hill Tracts of Chittagong”.

Section 6.—In clause (vii) of sub-section (4), omit “the Federal Railway Authority or”.

*The Bengal Rural (Primary Education) Act, 1930  
(VII of 1930)*

Section 4.—In clause (b) of sub-section (1), for “ten” substitute “four”, for “five” substitute “two” and omit “one to be a Muhammadan and the other a Hindu”.

*The Bengal Municipal Act, 1932 (XV of 1932)*

Section 23.—In clause (ii) of sub-section (2), for “any State in India” substitute “an Acceding State”.

Section 57.—In sub-section (1), for “Crown” substitute “Constitution of India” and for “His Majesty the King Emperor of India, His Heirs and successors” substitute “the Constitution of India as by law established”.

Schedule V.—Omit “Dacca” and “Chittagong”.

*The Bengal Smuggling of Arms Act, 1934 (VI of 1934)*

Section 2.—Omit clause (2).

*The Bengal Waterways Act, 1934 (XII of 1934)*

Section 40.—In the proviso to sub-section (2), for “Ports of Calcutta and Chittagong” substitute “Port of Calcutta”, and for “said ports” substitute “said port”.

*The Bengal Non-Agricultural Lands Assessment Act, 1936 (XIX of 1936)*

Section 2.—In sub-clause (f) of clause (4), for “Jalpaiguri or Chittagong” substitute “or Jalpaiguri”.

*The Bengal Legislative Chambers (Members') Emoluments Act, 1937 (II of 1937)*

Long title, preamble and section 1.—For “Chambers” substitute “Assembly”.

Section 2.—Omit “either of the Bengal Legislative Council or” and “the President of the said Council”.

*The Bengal Legislature (Removal of Disqualifications) Act, 1937 (III of 1937)*

Preamble and section 2.—Omit “or the Bengal Legislative Council”.

*The Bengal Famine Insurance Fund Act, 1938 (III of 1938)*

Section 7.—Omit “the Bengal Legislative Council and”

*The Bengal Money-lenders Act, 1940 (X of 1940)*

Section 2.—In clause (1), for “British India” substitute “India”; and in clause (12), for “any Government in British India” substitute “by the Central Government or any Provincial Government”.

*The Bengal Revenues (Charged Expenditure) Act, 1940 (XIII of 1940)*

The First Schedule.—Omit the heading “Central Act” and the entries relating to the Dacca University Act, 1920.

*The Bengal Co-operative Societies Act, 1940 (XXI of 1940)*

Section 5.—Omit “made by any authority in British India and”.

*The Bengal Agricultural Income-tax Act, 1944 (IV of 1944)*

Section 2.—In clauses (1) and (6), for “British India” substitute “a Province of India”; and in clause (17), for “British India excepting Bengal” substitute “any Province of India other than West Bengal”.

*The Bengal Legislatures (Corrupt Practices and Election Inquiries) Act, 1946 (I of 1946)*

Preamble.—Omit the words “and in paragraph 12 of Part I of the Government of India (Provincial Legislative Councils) Order, 1936,” the words “or the Bengal Legislative Council”, and the words “or Council”; and for “bodies” substitute “body”.

Section 2.—Omit “or the Bengal Legislative Council”.

Section 3.—Omit “or to the Bengal Legislative Council” and “or Council”.

Section 6.—Omit “or the Bengal Legislative Council”.

## PUNJAB ACTS

*The Punjab General Clauses Act, 1898 (I of 1898)*

Throughout the Act, except in clauses (10) and (46) of section 2, for “Punjab Act” substitute “Punjab Act or East Punjab Act”.

Section 2.—In the opening clause, after “Punjab Acts” insert “and East Punjab Acts”.

For clause (10), substitute :—

“(10) ‘Colony’—

(a) in any Punjab Act passed after the commencement of Part III of the Government of India Act, 1935, or in any East Punjab Act, shall mean any part of His Majesty’s dominions exclusive of the British Islands, the Dominions of India and Pakistan (and before the establishment of those Dominions British India), any Dominion as defined in the Statute of Westminster, 1931, any Province or State forming part of any of the said Dominions and British Burma; and

(b) in any Punjab Act passed before the commencement of Part III of the said Act, mean any part of His Majesty’s dominions exclusive of the British Islands and of British India;

and in either case where parts of those dominions are under both a central and local legislature, all parts under the central legislature shall, for the purposes of this definition, be deemed to be one colony :”

After clause (16), insert—

“(16a) “East Punjab Act” shall mean an Act made by the Provincial Legislature of East Punjab under the Government of India Act, 1935;”

For clause 41 substitute :—

“(41) “Political Agent” shall mean the principal officer, by whatever name called, representing the Central Government in any Acceding State or group of Acceding States or any territory or place outside India”.

In clause (47), for “British India” substitute “a Province of India”.

Section 11.—After “Punjab Acts” insert “and East Punjab Acts”.

Section 27.—Omit the word “and” at the end of clause (a); in clause (b) after “Governor” at both places insert “of the Punjab”; and after clause (b) insert :—

“(c) in relation to any Ordinance promulgated by the Governor of East Punjab under section 88 of the said Act, as they apply to Acts made by the Provincial Legislature of East Punjab.”

*The Punjab Minor Canals Act, 1905 (III of 1905)*

Schedule I.—Omit the entries from “Hajiwah” to “Southern Sori Hill Torrent”.

Schedule II.—Omit the entries from “Piranwala” to “Ahmadabad”.

*The Punjab Municipal Act, 1911 (III of 1911)*

Section 61.—In sub-section (1)(a), for “Dalhousie and Murree” at both places substitute “and Dalhousie”.

Section 103.—In sub-section (1), for “Dalhousie and Murree” substitute “and Dalhousie”.

*The Colonisation of Government Lands (Punjab) Act, 1912*  
(V of 1912)

Section 4.—In the proviso omit “to tenancies specified in Schedule I of this Act, or”.

Section 27.—In sub-section (1), omit clause (a).  
Omit Schedule I.



*The Punjab Excise Act, 1914 (I of 1914)*

Section 3.—In clause (12), for “British India” substitute “the Provinces of India”.

Section 31.—In the proviso, for “British India” substitute “the Provinces of India”.

Section 63.—For “British India” substitute “India”.

*The Punjab Medical Registration Act, 1916 (II of 1916)*

Section 5.—In sub-section (1), for “sixteen” substitute “eleven”; in clause (b), for “eight” substitute “four” and omit the words from “an independent medical practitioner” to “and one shall be”; omit clause (c); in clause (d), for “the University of the Punjab” substitute “any University in India”; and in clause (e), for “one member” substitute “two members”.

Section 6.—In the proviso, omit “(c)”.

Section 12.—For “seven” substitute “six”.

The Schedule.—In paragraph (1), after “Allahabad” insert “the Punjab”.

*The Punjab Courts Act, 1918 (VI of 1918)*

Section 51.—After the word “Lahore” insert “until the fifteenth day of August, 1947, and thereafter, as referring to the High Court of East Punjab”.

*The Punjab Town Improvement Act, 1922 (IV of 1922)*

Section 60.—For sub-section (2), substitute:—

“(2) The president of the tribunal shall be a person qualified for appointment as a judge of the High Court of East Punjab”.

*The Sikh Gurdwaras Act, 1925 (VIII of 1925)*

Section 43.—In clause (i), for “one hundred and thirty-two” substitute “eighty-four”.

Section 44.—In sub-section (2), for “twelve” substitute “eight”.

Section 85.—In sub-section (1), omit clauses (iv), (vii) and (viii); and in sub-section (3), omit clauses (d), (g) and (h).

Schedule I.—Omit items 1 to 22, 24, 25, 79, 80, 82 to 117, 200, 240 and 241; and in the second column of item 23, for “Lahore” substitute “Amritsar”.

Schedule II.—Omit items 1 to 3 and 41 to 69.

Schedule IV.—Omit the entries relating to constituencies Nos. 55 to 62, the entry relating to constituency No. 63, except in so far as it relates to Gurdwara Baba Bir Singh in the revenue estate of Rattoki of Kasur tahsil, constituency No. 79, except in so far as it relates to the tahsils of Pathankot and the Zails of Marara, Mirzapur and Dugari of the tahsil of Gurdaspur, and constituencies Nos. 86 to 120.

*The Punjab Aerial Ropeways Act, 1926 (V of 1926)*

Section 6.—In sub-section (4) (ix), omit “the Federal Railway Authority or”.

*The Punjab Borstal Act, 1926 (XI of 1926)*

Section 28.—For clause (a) of sub-section (1), substitute:—

“(a) by any court or tribunal acting whether within or without the Provinces of India under the general or special authority of the Central Government or of any Provincial Government; or”;

for the words “Indian State” wherever they occur, substitute the words “Acceding State”; and omit the words “or the Crown Representative” wherever they occur.

*The Punjab Municipal (Executive Officer) Act, 1931*

(II of 1931)

Section 4.—In sub-clause (i) of clause (b) for “Rs. 45 in the case of the Municipality of Lahore and Rs. 25 in the case of other Municipalities” substitute “Rs. 25”.

*The Punjab Nurses Registration Act, 1932 (I of 1932)*

Section 2.—In clauses (a) and (c), for “the Punjab” substitute “the East Punjab”, and in clause (d), for “the Punjab” where it occurs for the first time, substitute “the East Punjab”.

Section 3.—In sub-section (1), for “the Punjab” substitute “the East Punjab”; and in sub-section (2), in clauses (a) and (b), for “Punjab” substitute “East Punjab”, in clause (c), for “twelve” substitute “six”, and in clause (d), for “three” substitute “two”.

Section 8.—In sub-section (1), for “Punjab” substitute “East Punjab”.

For the Schedule substitute:—

**"THE SCHEDULE**

**(Section 3)**

- (1) Nursing Superintendent, V. J. Hospital, Amritsar.
- (2) Nursing Superintendent, Memorial Mission Hospital, Ludhiana.
- (3) Nursing Superintendent, Francis Newton Hospital, Ferozepore.
- (4) Nursing Superintendent, Lady Reading Hospital, Simla.
- (5) Honorary District Secretary, Trained Nurses Association of India, East Punjab.
- (6) The Principal, Punjab Medical School for Women, Ludhiana.
- (7) The Principal, East Punjab Health School.
- (8) The Deputy Directress of Public Instruction, East Punjab.
- (9) The Professor of Midwifery, Glancy Medical College, Amritsar.
- (10) A nominee of the Delhi Province.
- (11) A Woman Assistant Surgeon in the service of the Provincial Government.
- (12) A member to be nominated by the Executive Committee of the Saint John Ambulance Association, East Punjab.
- (13) Two members who have been connected with a teaching Medical Institution.
- (14) Lady Superintendent, St. John's Ambulance Brigade, East Punjab."

*The Punjab State Aid to Industries Act, 1935 (V of 1935)*

Section 2.—In clause (4), for "Punjab" substitute "East Punjab".

Section 3.—In sub-section (1), in clauses (a), (b) and (f), for "Punjab" substitute "East Punjab", in clause (c), for "four" substitute "three", in clause (d), for "five" substitute "three", and omit clause (e); and in sub-section (3), for "five" substitute "four".

*The Punjab Entertainment Duty Act, 1936 (III of 1936)*

Schedule.—Omit entries (1), (2), (3), (5), (6), (7), (9), (10), (11), (12), (19), (20) and (21), and renumber the other entries serially.

*The Punjab Legislative Assembly (Removal of Disqualifications) Act, 1937 (II of 1937)*

Schedule.—In item 5, for “North-Western Railway” at both places substitute “East Punjab Railway”.

*The Punjab Village Panchayat Act, 1939 (XI of 1939)*

Section 43.—In clause (c), for the words from “Secretary of State” to “Railway Board” substitute “Central Government or a Provincial Government”.

*The Punjab Trade Employees Act, 1940 (X of 1940)*

Section 1.—In sub-section (3), for “Lahore, Amritsar, Sialkot, Ferozepore, Rawalpindi and Multan” substitute “Amritsar and Ferozepore”; and for “Lyallpur, Jaranwala, Gojra, Simla and Okara” substitute “and Simla”.

*The Punjab Urban Immoveable Property Tax Act, 1940*  
(XVII of 1940)

Section 4.—In clause (c) of sub-section (1), for “rating areas of Lahore and Simla” substitute “rating area of Simla”.

Schedule.—Omit the entries “Lahore”, “Kasur”, “Chunian”, “Pattoki”, “Khudian”, “Padhana”, “Kot Rai Buta Mal-cum-Azamabad”, “Raiwind Mandi”, “Lahore Cantonment” and all entries after “Bakloh Cantonment”.

*The Punjab Public Safety Act, 1947*

Section 13A.—In sub-section (1), omit “the city of Lahore”, and in sub-section (4), omit “the city of Lahore” and “the “City of Lahore Corporation Act, 1941.”

MOUNTBATTEN OF BURMA,  
*Governor-General.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*

**MINISTRY OF LAW**  
**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948*

**No. G. G. O. 41.**—The following Order made by the Governor-General is published for general information:

**THE INDIAN INDEPENDENCE (LIABILITIES)  
ORDER, 1948.**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor-General was pleased to make the Indian Independence (Rights, Property and Liabilities) Order, 1947 (hereinafter referred to as "the principal Order"), providing amongst other matters for the initial distribution of liabilities consequential on the setting up of the Dominions of India and Pakistan, but subject to any agreement between the two Dominions or the Provinces concerned;

AND WHEREAS the agreements set out in the Schedule to this Order were reached from time to time between the two Dominions at meetings of the Partition Council, providing for the allocation of certain liabilities of the Governor-General in Council to the Dominion of Pakistan instead of to the Dominion of India;

AND WHEREAS it is expedient that the provisions of the principal Order should be varied in order to make it clear that those liabilities, having been accepted by the Dominion of Pakistan, have ceased to be liabilities of the Dominion of India;

AND WHEREAS sub-section (5) of section 19 of the said Act provides that any power conferred by that Act to make any Order includes power to vary any order previously made in the exercise of that power;

Now, THEREFORE, in the exercise of the powers conferred on him as aforesaid and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:—

1. (1) This Order may be cited as the Indian Independence (Liabilities) Order, 1948.

(2) It shall come into force at once.

2. In this Order, "appointed day" means the fifteenth day of August, 1947.

3. Notwithstanding anything contained in Articles 8, 9 and 11 of the principal Order, the liabilities of the Governor-General in Council which were outstanding immediately

before the appointed day in respect of the following items shall not be, and shall be deemed never to have been, liabilities of the Dominion of India :—

(1) Any deposit in a Post Office Savings Bank, if—

(a) the deposit was on the appointed day in a Post Office Savings Bank situate in the Dominion of Pakistan and has not been duly transferred before the commencement of this Order to a Post Office Savings Bank in the Dominion of India, or

(b) the deposit was on the appointed day in a Post Office Savings Bank situate in the Dominion of India and has been duly transferred before the commencement of this Order to a Post Office Savings Bank in the Dominion of Pakistan.

(2) Any Post Office Five-year Cash Certificate, Post Office Twelve-year National Savings Certificate, or Defence-Savings Certificate, if—

(a) the post office of issue of the Certificate is in the Dominion of Pakistan and the Certificate has not been duly transferred before the commencement of this Order to the books of a post office in the Dominion of India, or

(b) the post office of issue of the Certificate is in the Dominion of India and the Certificate has been duly transferred before the commencement of this Order to the books of a post office in the Dominion of Pakistan.

(3) Any pension, whether a service pension or a political pension, if—

(a) the pension was on the appointed day payable at a Government treasury, post office or other place situate within the Dominion of Pakistan and has not before the commencement of this Order been duly made payable at a place in the Dominion of India, or

(b) the pension was on the appointed day payable at a place outside the Dominion of Pakistan and has before the commencement of this Order been duly made payable at a Government treasury, post office or other place situate within the Dominion of Pakistan.

- (4) Any excess profits tax deposit or interest thereon and any refundable surcharge or refundable excess profits tax, if the relevant assessment case has been transferred to Pakistan.
- (5) Any bonus due to temporary clerical personnel in Government service who on the appointed day were serving in the Dominion of Pakistan.
- (6) Any deposit by a local body, fund or institution situate in the Dominion of Pakistan.
- (7) Any deposit by a railway company operating a branch line the working of which has been taken over by the Dominion of Pakistan.
- (8) Any deferred pay of military personnel who have been transferred to the Dominion of Pakistan.
- (9) Any outstanding money orders, if the post office which received the original credit is in the Dominion of Pakistan.
- (10) Any Provident Fund deposit of a Government servant who has finally opted for service in the Dominion of Pakistan.
- (11) Any postal life insurance policy the holder of which is serving under a Government in Pakistan or is residing in Pakistan.

4. Nothing contained in Article 3 of this Order shall affect the operation of any agreement between the two Dominions relating to—

- (a) the final adjustment of accounts in respect of any of the items mentioned in the said Article, or
- (b) the allocation of liabilities in respect of any items other than those mentioned in the said Article, or
- (c) the over-all financial settlement between the two Dominions.

#### **THE SCHEDULE.**

I. ALLOCATION OF LIABILITY IN RESPECT OF POST OFFICE SAVINGS BANK DEPOSITS, POST OFFICE CASH CERTIFICATES, DEFENCE SAVINGS CERTIFICATES, NATIONAL SAVINGS CERTIFICATES, AND POSTAL INSURANCE POLICIES.

##### **(1) Recommendations of the Steering Committee.**

The Steering Committee recommend that the arrangement should be as follows:—

1. The two Governments should assume responsibility for all Savings Bank deposits and Cash, Defence and National Savings Certificates in their respective territories on the date of separation, on the basis of the location of the particular deposits on that date.

2. A general notification should be issued forthwith saying that, although the two Dominions would be separate, depositors of Savings Bank and holders of Cash, Defence and National Savings Certificates shall continue upto the 31st March 1948 to have the same privileges as regards transfers of the deposits or certificates from one post office to another, whether within the same Dominion or from one Dominion to another after separation, as they have at present.

This announcement should be issued on the authority of the representatives of the two future Governments on the Partition Council.

3. The Government taking over the services of an officer holding a Postal Insurance policy, on the option of that officer for the Government, should assume responsibility in regard to his insurance policy and the Postal Insurance Fund should be allocated between the two Governments after actuarial valuation on this basis.

4. This is to be an *ad hoc* settlement which is to have no influence on the general question of the allocation of the public debt of the country between the two new Dominions.

#### (2) Partition Council's Decision dated 29th July 1947

\* \* \* \* \*

The Council approved the recommendations of the Steering Committee on the reference made by Expert Committee No. II (Assets and Liabilities) regarding the allocation of liability in respect of postal savings bank deposits etc.

#### (3) Extracts from the Minutes of the Partition Council meeting held on 1st December 1947

*Case No. PC/216/20/47. Postal Cash, Defence and National Certificates.*

The formula approved by the Partition Council is that each Dominion should take liability for such Certificates as were registered in the territory of that Dominion on the 15th August, 1947. The matter however has been reconsidered at Pakistan's instance in view of the large transfer of populations that has since taken place. It was agreed that the following formula would be adopted to determine the liability of each Dominion for such Certificates:

- (a) The liability of both Dominions should be notionally assessed on the basis of outstandings as on the 14th August 1947.
- (b) For payments in either Dominion between 15th August 1947 and 31st March 1948 of certificates registered in the other, the Dominion making the payment will take the liability and the debts as calculated in (a) above will be corrected.
- (c) For transfers between the two Dominions between the 15th August 1947 and 31st March 1948 the liability will be adjusted by correcting the original debt as calculated in (a) above without payment of the capital value in cash.



## II. ALLOCATION OF LIABILITY IN RESPECT OF PENSIONS

### (1) Note by India on allocation of service pensions

Para. 11 (2) of the Indian Independence (Rights, Property and Liabilities) Order, 1947, has placed on the Indian Dominion the initial liability for the pensions which on the date immediately preceding the partition were the liability of the Governor-General in Council, subject under para. 13 (2) of the Order to Pakistan making such just and equitable contribution as may be agreed upon or in the absence of agreement determined by the Arbitral Tribunal.

2. In the discussions of the Expert Committee, complete agreement could not be reached regarding the allocation of the liability for pensions.

3. The liability for pensions falls into two categories—

- (a) liability in respect of serving officers for service under the combined Government up to the 14th August 1947;
- (b) liability for pensions of officers who had retired from service on or before the 14th August 1947 or who retire from service after that date but without opting for service under either Dominion.

4. During the discussion in the Expert Committee, it was agreed—

In regard to (a) that the liability should be assessed actuarially and shared between the two Dominions in the ratio determined for the allocation of the uncovered debt;

In regard to (b) that the India members considered that the same arrangement should be followed but the Pakistan members suggested that this liability should not be capitalised but Pakistan should share the current expenditure in the ratio of her share of the unallocated debt. The difference of opinion is therefore not in regard to the relative share of the liability but the method of discharging it.

5. It is suggested that the following proposals may be put before the Partition Council—

(a) The liability in regard to both the serving and retired officers should be capitalised, the work being entrusted to two actuaries one nominated by each with an umpire to resolve any difference between the two actuaries.

(b) The liability should be allocated between the two Dominions in the ratio of the unallocated debt.

(c) Each Dominion should then assume liability for the pensions paid in its territory and for the serving officers who have been taken over by it. If the capitalised value of the pensions paid in Pakistan and for personnel taken over by Pakistan is more than its share of the total liability under (b) the excess should be taken in reduction of the debt resulting from the partition.

(d) The existing facilities for the transfer of pensions should be discontinued as between the two Dominions. (If the facility is maintained after the partition for a short period as a matter of convenience, it should be subject to the usual financial adjustments.)

6. This note does not relate to 'political' pensions which are dealt with separately.

**(2) Extracts from the minutes of the Partition Council meeting held on 1st December, 1947**

*Case No. PC/195/20/47. Arrangements regarding the sharing of pensionary liabilities.*

India's proposals in para. 5(a) (b) and (c) of the paper for the Partition Council were accepted. The method of making financial adjustments for pensions transferred after the 14th August 1947 should be worked out.

**(3) Note by India on allocation of political pensions**

There was no agreement in the Political Department Sub-Committee or the Expert Committee about the allocation of Political Pensions.

2. The Pakistan representatives on the Expert Committee suggested that these pensions should be treated as common and the current payments shared in the agreed proportion by the two Dominions. All future pensions will be the liability of the sanctioning Dominion.

3. The India side proposed that these pensions should be capitalised and treated in the same way as service pensions. The total capitalised value will be added to the debt of the undivided Government, each side will assume liability for pensions which could be allocated to it on a territorial basis and the balance that cannot be so allocated will automatically be shared as part of the uncovered debt.

4. From the administrative point of view there is the same objection to Pakistan's proposal here as in the case of their similar proposal for service pensions. It will keep a common liability for a long period (in some cases perpetually) and is bound to create friction in day to day working. From all points of view it is desirable to have a final settlement at this stage.

5. Unlike service pensions most of the political pensions could be definitely linked to the territory in connection with which they were sanctioned. It will be fair to pass to the State now in possession of that territory the responsibility attaching to it. For example, speaking very broadly, the Oudh, Carnatic, Tanjore and Mahratta pensions would pertain to India while the Multan and Sind pensions would pertain to Pakistan.

6. There will be some pensions like the Murshidabad, Nizamat and Duleepsinghi pensions, which, on territorial considerations, would relate to area now in both the Dominions. In their case the initial liability may be taken by the Dominion in which the bulk of the territory now lies and the share of the other Dominion determined and cleared on a capitalised basis.

7. Once the liability for pensions is allocated to one or the other of the Dominions, each will be free to consider whether it should be continued, modified or stopped.

**(4) Extracts from the minutes of the Partition Council meeting held on 1st December, 1947**

*Case No. PC/201/20/47. Allocation of political pensions.*

These will be capitalised in the same manner as the civil pensions and the liabilities shared between the two Dominions in the ratio of the uncovered debt. Each Dominion will continue to disburse the pensions in

payment in its area and the necessary financial adjustment will be made as in the case of the civil pensions. This does not affect the right of either Dominion to terminate the grant of any political pension.

### III. ALLOCATION OF CERTAIN MISCELLANEOUS LIABILITIES TO THIRD PARTIES AND CERTAIN ITEMS OF "UNFUNDED DEBT".

#### (1) Extracts from the Report of the Expert Committee (No. II) on Assets and Liabilities

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12. \* \* \* \*

(c) Miscellaneous liabilities may be allocated as shown in Annexure II.

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(i) In Annexure V, we have set out a list of the various items falling under "unfunded debt" and have indicated the manner in which item should be allocated between the two States. As regards contingent liabilities, in cases involving large amounts like the liability for the British First War Loan, the Committee consider that these should directly be apportioned between the two Governments in the ratio of the uncovered debt. In cases involving small amounts the liability may be valued on a basis acceptable to both the States and a final adjustment made between them, say, not later than 31st March 1948.

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#### ANNEXURE II

##### (PARAGRAPH 12(c) OF REPORT)

#### ALLOCATION OF MISCELLANEOUS LIABILITIES

This note deals with all miscellaneous liabilities of the present Central Government to third parties. The various items may be dealt with as follows:—

(a) *EPT Deposits, refundable surcharge, refundable EPT and interest on EPT Deposits.*—For all assessment cases transferred to Pakistan the liability for refunds may be taken over by Pakistan.

(b) *Village Savings Deposits.*—These relate to schemes sponsored by the United Provinces and Madras Governments and the liability may be assumed by the Indian Dominion.

(c) *Bonus to temporary clerical personnel.*—The outstanding balance will represent payments due to the temporary men in service. The Dominion in which they are employed immediately after partition will take over the liability in respect of them.

(d) *Deposits of local funds.*—The liability may be allocated generally on the basis of the location of the local fund or body. In the case of all-India funds, if any, the allocation may be made on an *ad hoc* basis by the two governments by mutual agreement.

(e) *Deposits of Branch line companies.*—The amount involved is petty. The Dominion working the branch line may take over the liability.

(f) *Civil Deposits.*—These deposits cover a variety of transactions broad details of which as at the end of 1944-45 are given on pages 127—130 of the Finance Accounts of that year. No uniform principle would cover all these deposits. A large number could be allocated on the basis of location but in cases of deposits of specific outside funds like the Coffee Cess Fund, the Indian Research Fund, the Lac Cess Fund etc. the wishes of the Funds should be ascertained. A detailed investigation into the various deposits will be necessary.

*Other Deposits.*—These consist of Deposits of the Posts and Telegraphs Department, Defence Services and Railways. Posts and Telegraph Deposits consist of Dead Savings Bank deposits, unclaimed deposits of savings banks, deposits on account of foreign money orders and miscellaneous items. The deposits on account of savings banks (Dead S. B. Accounts and Unclaimed S. B. Deposits) may be allocated with reference to the location of the Post Office to which the deposit relates and the credit on account of Foreign Money Orders with reference to the relevant office of origin. Miscellaneous items may be allocated with reference to their location or otherwise by mutual agreement between the two Dominions.

Defence Services Deposits consist of security deposits, field deposits, unclaimed Provident Fund deposits and other miscellaneous items. It is not possible to lay down any general principle for allocating the liability beyond saying that after detailed examination of the items the liability should as far as possible follow the allocation of the troops between the two Dominions and other factors.

Railway Deposits consist of a number of miscellaneous items and the liability could be transferred with the Railways transferred to each Dominion. Any item which cannot be clearly allocated should be settled by mutual agreement.

*Deposit account of Dangs.*—This relates to the administration of the Dang areas in Surat and the liability may be retained by the Indian Dominion.

*Deferred Pay of Indian Troops.*—The liability may be allocated on the basis of the personnel transferred to the respective Dominion.

*Balances of Coorg.*—The liability may be allocated to India as Coorg lies in the Indian Union.

*Undisbursed Pay.*—This represents undisbursed pay of members of the Civil Pioneer Force. The liability may be allocated on the basis adopted for the uncovered debt if it cannot be allocated on the basis of the personnel as the units may have been disbanded.

*Accounts with Burma.*—There was a credit balance under this head on the 31st March '45. Details of the transactions will have to be obtained and the liability allocated with by mutual agreement with reference to the location of the transactions or other relevant factors.

*Outstanding Cheques.*—Every effort should be made to have the cheques cashed before the 31st March '48 so that the transactions are taken against the combined account. Any small balance that may be left may be allocated with reference to the transaction to which the outstanding cheque relates.

*Value of one rupees notes.*—This is covered by a recommendation of the Expert Committee on Currency and Coinage.

*Outstanding Money Orders.*—With the accounts kept open till the 31st March 1948 the outstandings should be small. The payment may be claimed from the Dominion which received the original credit.

*Deposits on account of Enemy Property.*—The liability may have to be segregated and dealt with separately. If the balance lapses to the two Dominions under the peace treaties and is set off against reparations or other payments under the peace treaties there will be no liability to discharge.

## ANNEXURE V

### (PARAGRAPH 12 (i) OF REPORT)

The various items falling under 'Unfunded Debt' may be dealt with as follows:—

(a) *Special Loans.*—These represent certain special deposits, mostly for charitable purposes, accepted at special rates of interest, in the past, the most important item of which is the endowment by the late King of Oudh amounting to Rs. 137 lakhs. There is only one item (Lawrence Memorial Asylum at Murree) which seems to relate to Pakistan. Subject to verification of details the liability may be allocated on a territorial basis to each Dominion except that the liability for the Oudh loan should be further examined and settled between the two Governments.

(b) *Treasury Notes.*—The entire outstandings pertain to Madras and the liability may be retained by the Indian Dominion.

(c) *Deposits of Service Funds.*—The balances represent—

(1) deposits of certain Service Funds (like the Bengal and Madras Uncovenanted Family Pension Fund) which are not under the control of Government but the balances of which are deposited with Government on favourable terms of interest; and

(2) deposits of the Indian Military Widows and Orphans Fund, the I. M. S. Family Pension Fund and the untransferred portion of the I. C. S. Family Pension Fund.

In regard to (1) it will be necessary to consult the administrators of the Funds and the subscribers through them before the balances can be split between the two Governments. The balances in (2) may be funded in sterling with H.M.G. as part of the sterling balances negotiations

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(f) *State Provident Funds.*—The liability for the balances in these funds may be taken over by the Government to whose service the Government servant is transferred. In respect of Government servants on leave preparatory to retirement who have opted for neither Government the liability may be allocated between the two Governments the depositors being given the option to choose the particular Government.

(g) *Other Accounts.*—These consist of deposits of the Postal Life Insurance Fund and a number of miscellaneous funds like the Railway Staff Benefit Fund, the General Family Pension Fund, etc. In the case of the Postal Life Insurance Fund the liability for the policies may be taken over by the Government to whose service the policy holder is transferred or in whose territory the insurant resides and is paying his premium if he is a retired officer. For this purpose, the Insurance Fund should be valued as on the date of separation. As regards the other miscellaneous funds the liability should be allocated by location as far as possible and in the case of outside bodies in consultation with them.

**(2) Steering Committee's note on the Report of Expert Committee No. II**

1. The report of Expert Committee No. II has already been circulated. The report covers a wide field and there are differences of opinion over many vital issues. The Steering Committee have not had time to consider the points at issue in detail and to narrow down the margin of differences. It is suggested therefore that further consideration of this report be postponed till the first meeting after the 15th August of the reconstituted Partition Council.

2. The Expert Committee No. II has been unable to reach a decision in regard to the cash balances to be allocated to the Pakistan Government. As that Government will start functioning from the 15th of August, it will need a working balance from that date. The Steering Committee have been unable to resolve the points at issue, which are submitted to the Partition Council for orders.

**(3) Extract from the meeting of the Partition Council held on Wednesday, the 6th August 1947**

*Case No. PC/143/16/47. Report of Expert Committee on Assets and Liabilities.*

The Council agreed—

(i) that points of difference\* in Expert Committee No. II's report which the Steering Committee were unable to agree upon should be referred to the Arbitral Tribunal;

(ii) that a working balance of Rs. 20 crores should be allocated to the Pakistan Government.

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\* The Council impliedly approved of the recommendations of the Expert Committee in regard to points of agreement.

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**MOUNTBATTEN OF BURMA,**

*Governor-General.*

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**K. V. K. SUNDARAM,**

*Officer on Special Duty.*

**MINISTRY OF LAW**  
**(Reforms)**

**NOTIFICATION**

*New Delhi, the 31st March, 1948.*

**No. G. G. O. 42.**—The following Order made jointly by the ~~Governors-General~~ of India and Pakistan is published for general information :—

**THE PAKISTAN MONETARY SYSTEM AND  
RESERVE BANK (AMENDMENT) ORDER, 1948**

WHEREAS in the exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, the Governor General of India was pleased to make on the 14th day of August 1947 the Pakistan (Monetary System and Reserve Bank) Order, 1947 (hereinafter referred to as “the principal Order”);

AND WHEREAS an agreement has been reached between the Dominions of India and Pakistan that the provisions of the principal Order should be modified and supplemented in certain respects;

AND WHEREAS sub-section (5) of section 19 of the Indian Independence Act, 1947, provides that any power conferred by that Act to make any Order includes power to revoke or vary any Order previously made in the exercise of that power;

NOW, THEREFORE, in the exercise of the powers aforesaid and of all other powers enabling them in that behalf, the Governor General of India and the Governor General of Pakistan, acting jointly, are pleased to make the following Order :—

1. (1) This Order may be cited as the Pakistan Monetary System and Reserve Bank (Amendment) Order, 1948.

(2) It shall come into force at once.

2. In section 2 of Part I of the principal Order, after clause (e), the following clause shall be inserted, namely :—

“(ee) ‘Pakistan rupee coin’ means rupee coin which is for the time being legal tender in Pakistan, and not in India, and includes the one rupee notes referred to in section 9 of Part II of this Order;”.

3. In Part II of the principal Order,—

(1) in section 2, sub-section (1) of section 4, sub-sections (2) and (3) of section 5, sub-section (a) of section 12, sub-

section (1) of section 13 and section 17, for the word "September" wherever it occurs the word "June" shall be substituted;

(2) in sub-section (1) of section 4, the second proviso shall be omitted;

(3) to section 6, the following sub-section shall be added, namely:—

"(4) The provisions of this section shall have effect only up to the 30th day of June, 1948.";

(4) in sub-section (2) of section 7, for the word "October" the word "July" shall be substituted; and

(5) in section 11 for the figures and words "31st day of March" the figures and words "30th day of June" shall be substituted.

4. In Part III of the principal Order,—

(1) in section 1, in the opening paragraph for the word "September" the word "June" shall be substituted, in clause (13) for the figures and words "31st day of March" the figures and words "30th day of June" shall be substituted, and the proviso ~~shall be omitted~~; and

(2) in section 2, for the word "September" the word "June" shall be substituted.

5. In Part IV of the principal Order,—

(1) in section 1,—

(a) in sub-section (1), the words "in respect of any period" and the proviso shall be omitted, and for the words "payable in respect of that period" the words and figures "payable in respect of the year ending on the 30th day of June, 1948" shall be substituted;

(b) for sub-section (2) the following sub-section shall be substituted, namely:—

"(2) The Government of India shall pay to the Government of Pakistan an amount which bears to the Government's bank profits the same proportion as the total value of Pakistan notes in circulation in Pakistan on the 30th day of June, 1948 *plus* the total value of India notes returning from circulation in Pakistan in the year commencing on the 1st day of July, 1948 bears to the total value of India notes and Pakistan notes in circulation in India and Pakistan on the 30th day of June, 1948.";



(2) in sub-section (1) of section 2 for the word "September" the word "June" shall be substituted;

(3) for sub-section (2) of section 3 the following sub-sections shall be substituted, namely, :—

"(2) There shall be added to the debt due by the Government of Pakistan to the Government of India an amount equal to the amount of one-rupee notes of the Government of Pakistan issued up to the 30th day of June, 1948.

(3) The Government of India shall have no liability whatsoever in respect of the one-rupee notes of that Government circulating in Pakistan after the 30th day of June, 1948.

(4) The Government of Pakistan shall exchange at par all one-rupee notes of the Government of India returning from circulation in Pakistan after the 30th day of June, 1948, and shall return to the Government of India all notes so exchanged.

(5) The debt due ~~to the Government of India~~ by the Government of Pakistan shall be deemed to be reduced by an amount equal to the amount of the notes returned under sub-section (4) of this section before the 1st day of July, 1949, or to the amount mentioned in sub-section (2) of this section, whichever is less."

(4) in section 4—

(a) for the word "September," wherever it occurs, the word "June" ~~shall be~~ substituted;

(b) in sub-section (2), for the words and figures "until the 31st March, 1949, and there shall from time to time on the demand of the Government of Pakistan" the following shall be substituted, namely, :—

"until the 30th day of June, 1949, and on the delivery of such notes to the Bank from time to time in instalments of not less than five crores of rupees each, there shall";

and for the words "amount of notes accepted" the words "amount of notes delivered" shall be substituted;

(c) in sub-section (3), for the word "accepted" the word "delivered" shall be substituted, and after the figures "1948" the words "and in accordance with the following provisions of this Part" shall be added; and

(d) sub-section (4) shall be omitted;

(5) sub-sections (5) and (6) of section 4 shall be made a separate section and re-numbered respectively as sub-sections (1) and (2) of section 14, section 5 shall be renumbered 15, and before the said sections 14 and 15 as so renumbered, the following sections shall be inserted, namely,

“5. All transfers of gold under the provisions of section 4 shall, except in the last instalment, be in such number of gold bars as do not exceed in value the amount due to be transferred in gold in that instalment.

6. For the purpose of determining Pakistan's share of sterling securities and Government of India securities under the provisions of sub-section (3) of section 4,—

(a) the amount of sterling securities held in the Issue Department of the Bank on the 30th day of June, 1948, shall be deemed to be reduced, and the amount of Government of India securities so held on that day shall be deemed to be increased by the amount by which the ~~amount of sterling~~ held in the ~~Banking Department of the Bank~~ on that day falls short of the aggregate of—

(i) the amounts payable in sterling to the Government of the United Kingdom in pursuance of any agreement that may be reached as to the final settlement of the sterling balances,

(ii) the amounts payable in sterling to the Government of Pakistan and the Provincial Governments in Pakistan under the provisions of section 11, and

(iii) the amount of the ~~balance at the credit of~~ the Bank's account No. I with the Bank of England; and

(b) the increase in each kind of Government of India securities under clause (a) shall bear the same proportion to the total increase as the amount of that kind of securities held in the Issue Department of the Bank on the 30th day of June, 1948, bears to the total amount of Government of India securities so held on that day.

7. Any one-rupee notes of the Government of India transferred to the Government of Pakistan under the provisions of section 4 shall be returned by that Government to the Government of India without payment, and any other India rupee coin so transferred shall be disposed of by the Government of Pakistan in accordance with the provisions of sub-section (1) of section 3 as if it were retired rupee coin.

8. Any Pakistan rupee coin remaining with the Bank after the transfers have been effected in accordance with the provisions of section 4 shall be made over to the Government of India for disposal otherwise than as coin.

9. (1) The Government of Pakistan shall, as expeditiously as possible, return to the Bank at its office in India all India notes, India-rupee coin and Pakistan rupee coin held in the currency chests of the Bank in Pakistan on the 30th day of June, 1948, and no such notes or coins shall be put into circulation from those currency chests in Pakistan after that day.

(2) Notwithstanding anything contained in the preceding sections of this Part,—

(a) no assets of the Issue Department of the Bank shall be transferred to the Government of Pakistan until so much at least of the notes and coins referred to in sub-section (1) of this section has been delivered to the Bank as reduces the value of the remainder held in Pakistan to an amount equal to or less than the value of Pakistan notes in circulation on the 30th day of June, 1948; and

(b) the Bank shall be entitled to withhold from the value of all or any of the assets to be transferred thereafter to the Government of Pakistan from the Issue Department of the Bank an amount equal to the value of the remainder of the said notes and coins which are for the time being held in Pakistan.

10. (1) The cost of remittance from Pakistan to India of any notes or coins under the provisions of section 9 shall be borne by the Bank.

(2) The cost of remittance of any notes, coins, gold and securities under the provisions of sections 3 and 4 shall be borne by the Government of Pakistan.

11. (1) The amounts standing to the credit of the Government of Pakistan, or any Provincial Government in Pakistan, with the Bank on the 30th day of June, 1948, shall be paid by the Bank—

(a) in Pakistan currency, to the extent that such currency is available in the Banking Department of the Bank on that  
and

(b) the remainder, by transfer from the balance in the Bank's Pakistan account with the Bank of England, and to the extent that such balance is insufficient, by transfer from the Bank's No. II account with the Bank of England.

(2) Any amount that banks in Pakistan may require the Bank to transfer to the Government of Pakistan out of their deposits with the Bank in order to comply with the requirements of any law for the time being in force in Pakistan shall, if the transfer is to be made after the 30th day of June, 1948, be paid by the Bank by transfer from its No. II account with the Bank of England.

12. The transfer to the Government of Pakistan of the Government's Bank profits under the provisions of section 1 and of the assets of the Issue Department of the Bank under the provisions of section 4 shall be provisional pending the settlement of Burma's claim to a share of the Bank's profits and assets and shall be subject to readjustment when that claim is finally settled.

13. Until the 30th day of June, 1948, there shall be no exchange control as between India and ~~Pakistan~~, nor shall any restrictions be placed on the transfer of funds or securities from one Dominion to the other, whether such transfers are on capital account or current account." ; and

(6) in section 15, as renumbered by clause (5) above, after the words "the context so permits" the words and figures "and until the 30th day of June, 1948," shall be inserted.

M. A. JINNAH,  
*Governor General, Pakistan.*

MOUNTBATTEN OF BURMA,  
*Governor General, India.*

K. V. K. SUNDARAM,  
*Officer on Special Duty.*